



The home of harmony, prosperity and growth



IDP REVIEW 2018/19



POLITICAL LEADERSHIP



**CLLR MJ MOCHELA
EXECUTIVE MAYOR**



**CLLR NP MOPEDI
SPEAKER**

 WARD 1 CLLR A MATROOS	 WARD 2 CLLR P NDAYI	 WARD 3 CLLR M MOFOKENG	 WARD 4 CLLR S NTEO
 WARD 5 CLLR M RAPULENG	 WARD 6 CLLR M MAGASHULE	 WARD 7 CLLR M GOBIDOLO	 WARD 8 CLLR S KGANTSE
 WARD 9 CLLR M MBELE	 WARD 10 CLLR M MOFOKENG	<p><i>PHOTO NOT AVAILABLE</i></p> WARD 11 CLLR J MABENA	 WARD 12 CLLR S DE JAGER
 WARD 13 CLLR H FIELAND	 WARD 14 CLLR R MEHLO	 WARD 15 CLLR M MOFOKENG	 WARD 16 CLLR L SOTSHIVA
	 WARD 17 CLLR M TAJE	 WARD 18 CLLR M TOYI	

PROPORTIONAL REPRESENTATIVE COUNCILLORS

NAME & SURNAME	PR COUNCILLORS	POLITICAL PARTY
Joey Mochela	PR	ANC
Neheng Mopedi	PR	ANC
Mvulane Sonto	PR	ANC
Matshepiso Mmusi	PR	ANC
Mabatho Miyen	PR	ANC
Maria Serate	PR	ANC
Victoria De Beer	PR	ANC
Robert Ferendale	PR	DA
Molaphene Poloko	PR	DA
Alfred Sehume	PR	DA
Shirley Vermaack	PR	DA
Carina Serfontein	PR	DA
Arnold Skoonwinkel	PR	DA
Pieter La Cock	PR	DA
Caroline Tete	PR	EFF
Ramailane Motebele	PR	EFF
Sylvia Radebe	PR	EFF
Petrus Van Der Merwe	PR	VF

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FOREWORD BY EXECUTIVE MAYOR

The Constitution of the Republic of South Africa determines the object of local government to be the provision of democratic, accountable government services to communities in a sustainable manner. To give effect to the constitutional rights and needs of communities, Council adopted a five Year Plan at the beginning of the term as part of our program of implementation. Ngwathe municipality has reviewed the program against the changing environmental conditions, hence the development and consideration of the Review IDP for the 2018/19 financial year. This review give focus on the establishment and implementation of municipal processes and systems to give better effect to our constitutional mandate, with a greater focus and emphasis on the provision of quality drinkable water, sanitation and electricity. While the provision of other basic services continues our focussed service areas are informed by a period of service interruptions including low quality services provided. We have equally prioritised the provision of the service at sustainable levels with an equally strong focus on bulk infrastructure development.

As a council we remain committed to the radical social and economic development of our municipal space, as much most of our financial management, social development and economic programs and policies have been re-aligned with the object of transforming the social and economic landscape of Ngwathe. The identification and allocation of land to all eligible residents have therefore been prioritised and will thus proceed as we enter a critical era and phase of economic and social transformation.

I also wish to encourage local community into becoming more involved in the affairs of council as we cannot govern nor serve without the consent and affirmation of Ngwathe program from our local constituencies.

I look forward to more humbling experiences and commitment towards making Ngwathe better with this IDP strengthening the foundation of realising our Vision.

J MOCHELA

EXECUTIVE MAYOR: NGWATHE MUNICIPALITY



Overview by Municipal Manager

The IDP review is an annual process, commencing with the drafting and approval of the IDP Process Plan by Council at the end of August of every year. The review last for almost a year, with extensive public participation that results in the development of a comprehensive development plan for Council. The IDP is the guiding plan of council aimed at achieving and realising the meaningful change council wishes to bring about.

The participants and activities in this process are all informed by the legislative and policy framework of Council as stipulated in the IDP and Budget process plan.

The rigorous process of engagement and refining of all strategies aimed at realising council vision are done with considered understanding and realisation of the limited resources available to council.

The establishment and building of council stakeholder forums remains centre stage for both the planning and implementation of the IDP for the planned financial year.

I wish to express my sincere appreciation towards the political leadership, management team, ward committee members and all participants who made this process a reality as move towards a year of improved delivery and performance in line with the constitutional and legislative provisions of good and clean governance in benefit of all people.

BW KANNEMEYER

MUNICIPAL MANAGER: NGWATHE LOCAL MUNICIPALITY

Executive Summary

A concise overview of our municipality; reflecting the current situation, key challenges and opportunities, including priority strategies of Ngwathe to improve its situation over the next medium term of the IDP, indicating most critical targets to be achieved. The summary will address following questions;

1. Who are we?

Ngwathe is a grade 3 municipality covering the towns of Vredefort, Koppies, Heilbron, Edenville and Parys as the main towns from where our business is directed both to private households and businesses, including government and/or public sector organisations operating within jurisdiction. The economy of the region is mainly structured along; Agriculture, Mining and Tourism of which the latter is in developing stage.

The municipality covers 18 wards, structured along the different towns with the administrative and political head office located in Parys. The municipality has an executive mayoral system, supported by participatory government system, located in ward elected councillors and ward participatory elected committees.

The executive mayor is supported by an executive mayoral committee, consisting of different portfolio-chairpersons and portfolio committee members. These committees, the section 80 committees provide political direction to the different administrative departments/directorates which implements the policy directives of council.

The Speaker of Council, directs the legislative process and provides political oversight on the community/public participation processes and program of council, with ward councillors and ward committee members leading engagements at ward level. The Rules of Order directs the operations of council and further supported by a Code of Conduct for all councillors undersigned in accordance with Chapter 7, Section 54 of the Municipal Systems Act, Act 32 of 2000 (as amended).

The Municipal Manager, appointed in terms of Section 54A of the Municipal Systems Act, with the authority of appointment vested in Council. The Municipal Manager as administrative executive head liaises with the Executive Mayor (political executive) in terms of scheduled reporting on matters of compliance and execution of council programme. The Municipal Manager is supported by directors whom reports to him in terms of section 57, though appointed by council to whom regular report on performance is presented.

2. What are the issues we face?

Ngwathe municipality is facing numerous challenges, of which some stem as far back as the last twenty years, since its inception, ranging from structural, systemic and process challenges, that hinders council's ability to meet its constitutional and/or legislative mandate.

The last years' audit outcomes, the financial health of the institution, the status and state of our infrastructure, the service delivery performance report, the governance framework, present a bleak picture for Ngwathe and its inhabitants though a series of interventions is now initiated.

The latest external audit conducted by the Auditor General of South Africa, revealed serious transgressions in the areas of non-compliance to legislation, specific to non-reporting on matters of compliance, policy gaps and flaws, a complete systemic breakdown, lack of policies and policy implementation including a series of actions outside the governance frameworks of local government.

The cash-flow challenges amidst weak revenue collections, compromises the daily operations of the municipality and its ability to meet its daily and monthly creditor obligations.

Of the challenges referred to above, lead to the process introducing a new management team, focussed on introducing a Performance Improvement Plan as lead by the Municipal Manager, analysing departmental structural, systemic and process gaps. The policy/master/strategic planning, departmental staffing processes, asset management, risk management and mitigation, drafting of standard operating procedures, tightening of personnel management, addressing staff moral are of the issues and activities reflected in the PIP.

3. What opportunities do we offer?

Ngwathe continues to offer much to all stakeholders of the municipality, as much as we also offer greater opportunity to both employee and the employer group of the institution to develop the institution into a potential top-performing municipality within the region, focussed on innovation and trending local government services towards sustained excellence and greater heights. The recently developed PIP (Performance Improvement Plan, hereafter referred to as PIP in this document) will direct much resources towards the local community, to empower both the skills and capacity base for future gain as much as benefit margins must be re-negotiated to stimulate affordability, and from the municipality position such investment will enhance greater efficiency gains for the institution.

The enhancement and rigorous structured development of our infrastructure provide opportunity to revitalise not only our local economy, but also our different central business districts as we aim to drive an urban renewal program with improved new-looks for both established and establishing businesses across the different towns, complimenting the identity of Ngwathe. The establishment of a Chambers of Business across all towns aim to strengthen service delivery around our business districts, with greater responsibility on having our towns look much cleaner, neater and better taken care of.

4. What are we doing to improve ourselves?

As indicated above, the introduction and implementation of an intervention focussed PIP aim to focus service delivery, create better structured and resourced implementation plans to enhance greater efficiency and responsibility amongst both the receiver and provider of services. The roll-out of outreach programs in collaboration with business, public institutions, religious fraternity, schools and established sector organisations is focussed on cohesive activity to instil greater sense of pride amongst both residents and those visiting our areas.

5. What can you expect from us over the next three years?

Over the next three years the following will be prioritised;

Table: 1 Year One Priorities

	Develop Realistic 3 Year departmental Plans	All Departments	2018/19
Year One:	Develop / Review Master Plans/ Strategic Plans / Policies / Standard Operating Procedures / Introduce Ward Based Planning programme	All Departments	2018/19
	Improved municipal reporting (compliance matters)		
	Annual review of Organisational Structure and Complete filling of critical vacancies (line-management level) and Implement	All Departments	2018/19/20

Table: 2 Year Two Priorities

Year Two:	Infrastructure renewal programme; Water, Electricity & Roads (Replacement of dilapidated meters/equipment, Introduction of Smart Meter Systems)	Technical Services & Financial services	2018/19/20
	Revenue Enhancement; Top 100 Debtors, Councillor, Municipal and Government Employees Arears collections	Financial Services Department	2018/19/20
	Staff Wellness Program, Job Descriptions, Job Evaluation, Monthly Employee Achiever Recognition Award	Corporate Services	2018/19/20

Table: 3 Year Three Priorities

Year Three	Performance Evaluation cascaded to lower levels	Office Municipal Manager	2018/19/20
	Enhance the cleaner-town campaign	Community Services	2018/19/20
	Urban Renewal programme	Community Services	2018/19/20

6. How will our progress be measured?

Regular monthly and quarterly reporting on progress made against the implementation of our PIP and IDP/SDBIP/Performance Agreements of Executive Managers will be done and communicated on the local municipality website, local media and the municipality newsletter. The PIP items for implementation will be included in the Performance Plans of all directors, and the performance evaluation will be done consistent with the Performance Management Framework of the municipality of which results will be published for public information after presentation to Council.

SECTION A: Introduction and Current Reality

Introduction

Back to Basics Program

“We cannot solve today’s problems with the same level of thinking that created the problems in the first place” (Albert Einstein) with this differentiated that the Back to Basics program was developed and instituted by COGTA. We must change our paradigm to focus on serving the people and not extractive elites. The Constitution and other legislation spell out our responsibilities and tasks. The Back to Basics program like the previous Turn Around Strategy, aimed in ensuring that local government remain focussed on of the ideals set in the Freedom Charter, The White Paper on Local Government therefore requiring that we have understanding of the intent of the White Paper on Local Government and how we aim breaking down apartheid systems, processes, mechanisms and more importantly communities.

As much as this approach evolved from COGTA national, the environment and conditions which exist with Ngwathe municipal area and the institution, an approach to rehabilitate the operations and activities of the municipality is a must and appropriate.

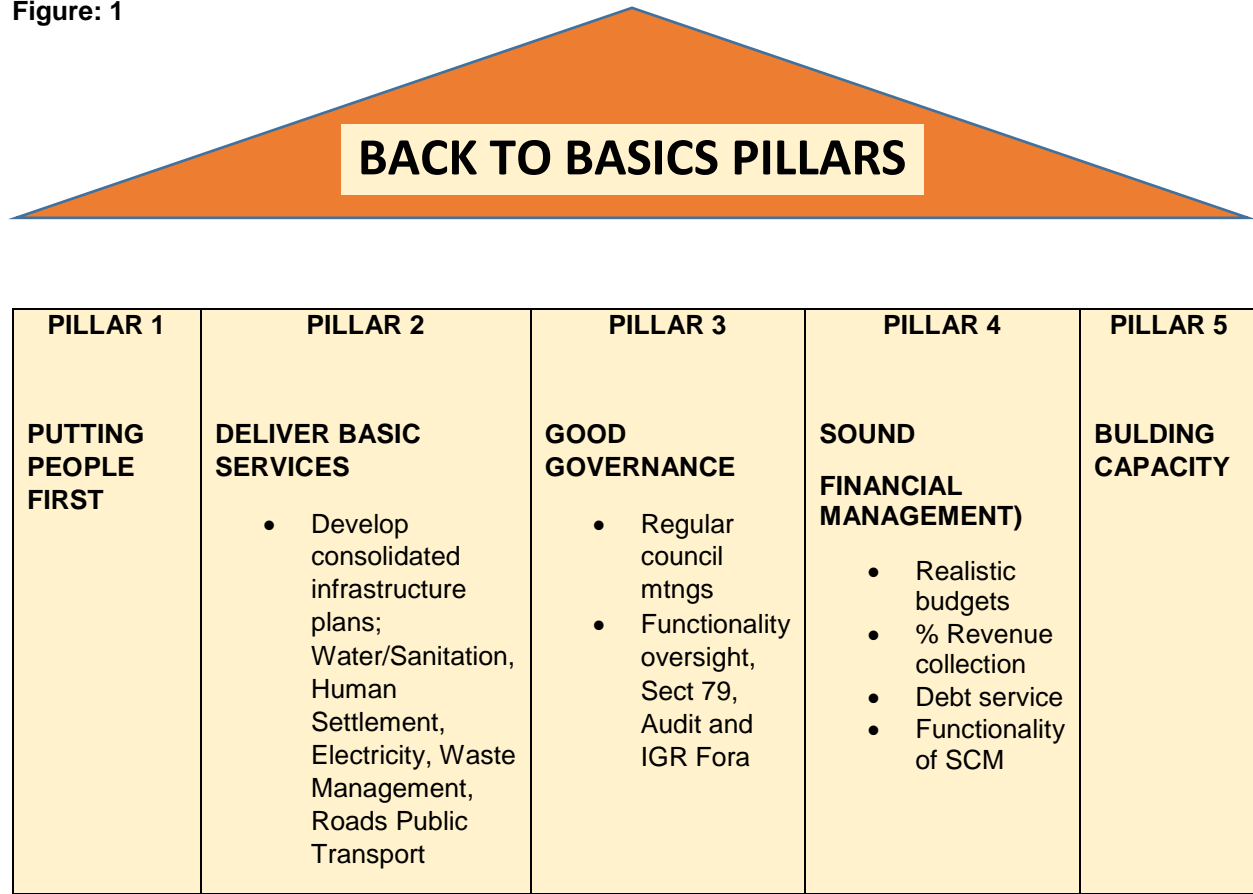
Some municipalities perform them well, but others don’t. For example, an acceptable level of performance means that municipalities must:

1. Put people and their concerns first and ensure constant contact with communities through effective public participation platforms. This is the essence of our ‘back to basics’ approach.
2. Create conditions for decent living by consistently delivering municipal services to the right quality and standard. This includes planning for and delivery of infrastructure and amenities, maintenance and upkeep, including the budgeting to do this. Ensure no failures in services and where there are, restore services with urgency.
3. Be well governed and demonstrate good governance and administration - cut wastage, spend public funds prudently, hire competent staff, ensure transparency and accountability.
4. Ensure sound financial management and accounting, and prudently manage resources so as to sustainably deliver services and bring development to communities.
5. Build and maintain sound institutional and administrative capabilities, administered and managed by dedicated and skilled personnel at all levels. Changing strategic orientation is not easy and it requires bold

Extract Back to Basics Programme

Strategic pillars of Back to Basics

Figure: 1



Scope of this chapter

- Introducing Ngwathe, its beautiful scenery, its potential and its challenges – its reality
- Summarise the needs of NLM communities as defined through the direct stakeholder interactions
- Introducing Ngwathe strategy, structure and process based on its reality.
- The policy and legislative context

NGWATHE – THE CURRENT REALITY

The Ngwathe Local Municipality is a Category B municipality situated in the northern part of the Fezile Dabi District in the Free State. The Vaal River forms the northern boundary of the area, which also serves as the boundary between the Free State, Gauteng and North West Provinces. It is one of four municipalities in the district, making up a third of its geographical area.

Ngwathe offers numerous opportunity for both the investor as well as visitors wishing to explore the natural scenic routes along the **Renoster River** leading towards the vicinity of Koppies in a series of dams, namely the **Weltevrede, Rooipoort** and **Koppies Dams**. Along these routes number of game farming is found which also offers game drive opportunities for weekend and longer period vacation visitors. Though the optimal tourist operations and opportunities are not fully explored as yet, a more comprehensive Economic development strategy must most certainly be undertaken by the municipality should the institution be serious of broadening and strengthening the economic and subsequent revenue base as potential income stream for the municipality. A true analysis must therefore be undertaken with clear economic understanding of the challenges, opportunities and objective programme to enhance the economic and social opportunity of the entire Ngwathe. The visionary leadership of Council, together with the District and Provincial governments, business and other leading stakeholders is required to build and establish Ngwathe as a central leading organisation in the region. The rivers, together with the respective dams, are prominent water sources for agricultural purposes in the region. Other prominent topographical features include the **Vredefort Dome** in **Parys**. The form of the dome consists of a central cone of granite surrounded by concentric ridges of quartzite belonging to the Witwatersrand System. The Parys District has unique natural and environmental assets, like the Vaal River, with several islands in the proximity of Parys, and the Vredefort Dome, that present exceptional tourism potential. Parys has a well-developed airfield that supports commercial, recreational and tourism development in the area. It has a strong commercial component and provides a wide range of services regarding health, education and professional services to the district. Vredefort is the only town that formed the former Vredefort District. The former Heilbron District is predominantly an agricultural area, although major manufacturing industries contribute largely to the Gross Geographic Product of the district. Koppies is located in an area of agricultural significance and mainly provides services in this regard to the surrounding rural areas. The three well-established and developed irrigation schemes subsequently enhance the agricultural character of the area. The strategic

location of Koppies between the larger centres of Kroonstad and Sasolburg influence growth and development within the community. The bentonite exploitation near Koppies and the initiative for coal mining in the vicinity of the town provide significant future growth potential. Koppies is becoming known for its tourist attractions. Specific reference is made to the R82 Battlefield Route, which consists of several historical battlefields. These that are envisaged to be further developed along with the Koppies Dam Nature Reserve. Edenville is also located in an area of agricultural significance. The main road linking Kroonstad and Heilbron runs adjacent to the area.

Economic and Social Conditions of People

Together with the tourist and hospitality opportunities that Ngwathe currently and in future will present, an additional key driver of economic growth and sustainability is agricultural development. The good summer rain seasons provide volumes of opportunity for water catchment, along the Vaal and Renoster Rivers, a distribution opportunity to strengthen our income streams in different forms to support the other areas of crucial development the region requires. The social conditions of a majority of communities present no sustainable solution for development, hence a more inclusive economic base is required to strengthen sustainable development opportunity. From an economic position the provision of labour opportunities with a sole reward of wages as form of income, proof to create greater dependence on state and/or government to provide than for independence. Recent economic approaches of cooperative establishment present opportunity for sustainable development if properly structured, regulated and enforced with the required support.

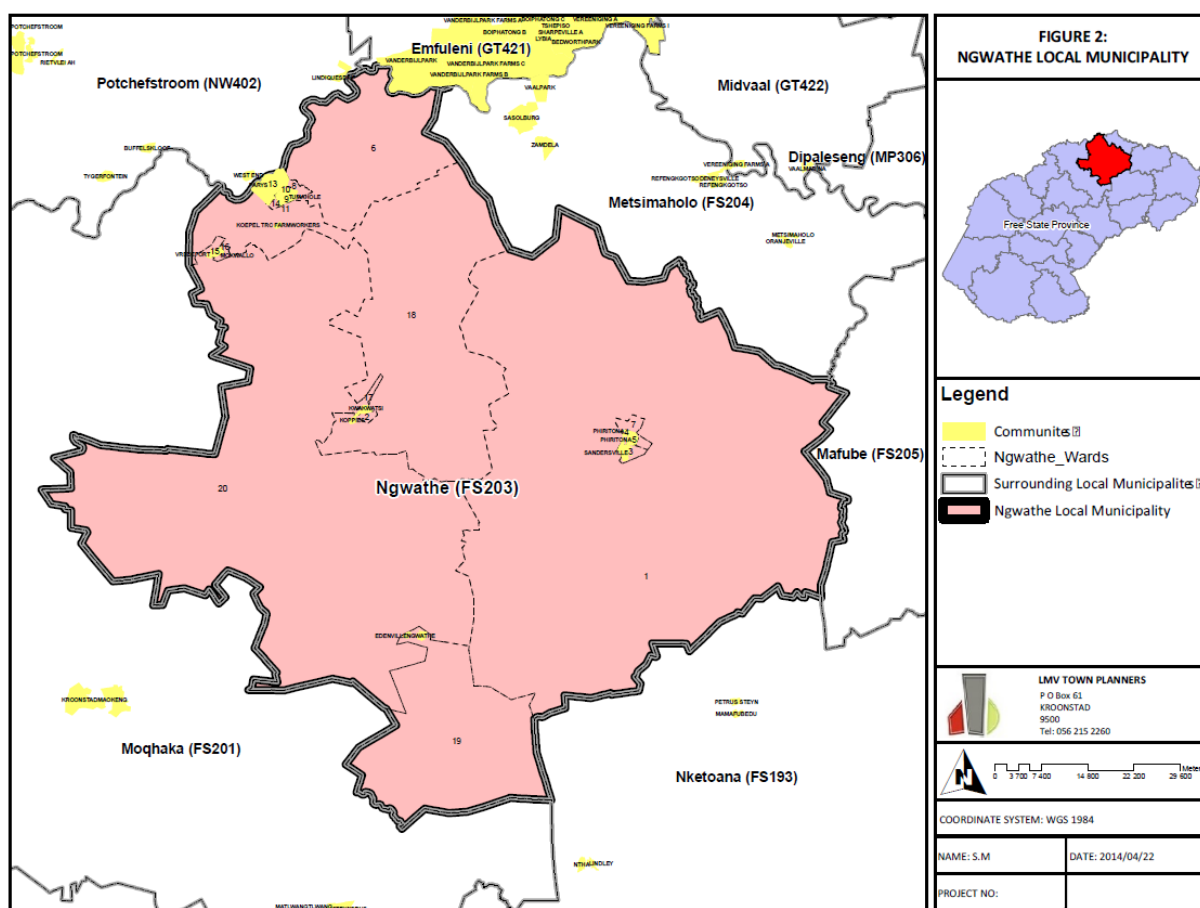
The value chain opportunities available from the agricultural economy must be unbundled to direct resources in all its different forms creating greater opportunity for investment implementation. A new strong breed of directed entrepreneurial youth is required to drive these opportunities away from the current form of dependency and welfare economic/social structure which presents no sustainable future

SECTION B:

THE PROFILE OF NGWATHE LOCAL MUNICIPALITY

Ngwathe Local Municipality (FS-203) is situated in the northern part of the Fezile Dabi District Municipality previously known as the Northern Free State, it is one of the four Local municipality within the district, the other three (3) being Mqohaka LM, Metsimaholo LM and Mafube LM. The total estimated population of the municipality in terms of Census 2011 results is 120 520. The geographical area of the municipality is 7055 Square kilometres. The municipality comprises of five towns which are:

All statistics and information used in this section of the IDP were sourced from STATSSA 2011 Census and Community Survey of 2016. Ngwathe municipality must seriously look at conducting a household survey within the next year to verify household, infrastructure and business data.



DEMOGRAPHICS

DEMOGRAPHIC PROFILE OF THE MUNICIPALITY

Table 4: Population and population growth rates by municipality, Fezile Dabi District, 1996, 2001 and 2011

Municipality	1996	2001	Growth Rate (1996-2001)	2011	Growth Rate (2001-2011)
Ngwathe	120 007	118 810	-0.2	120 520	0.1

Source: STATSSA, Census 1996, 2001 and 2011

Table 1 indicates that Ngwathe Local Municipality experienced a negative growth from 1996 to 2001. This means that the municipality is losing people either to other municipalities or to other provinces.

Table 5: Statistics for 2016

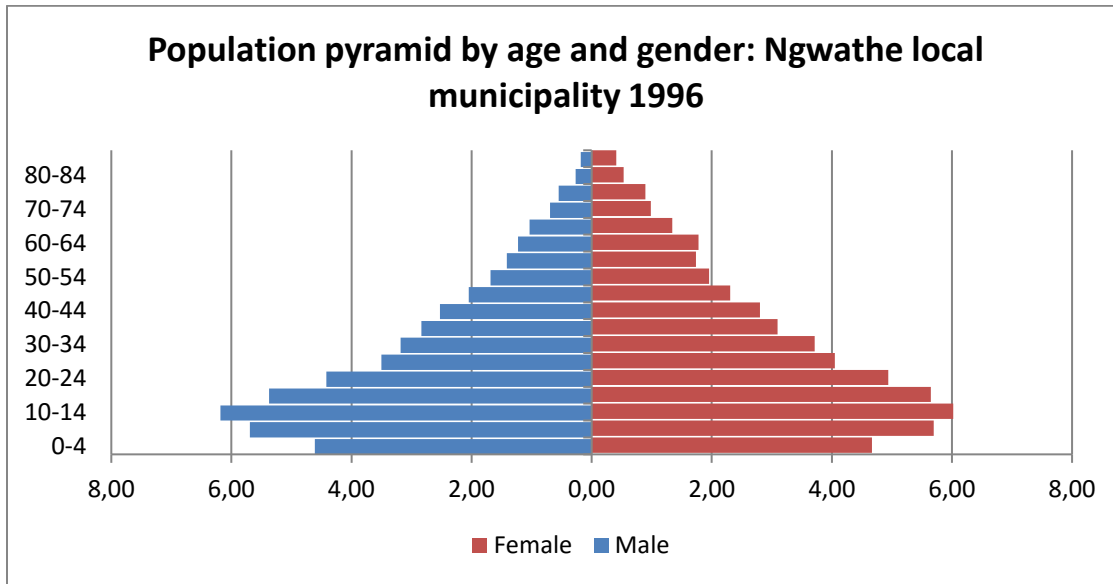
Black African			Coloured			Indian/Asian			White			Total		
Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
50027	54480	104507	1502	1537	3039	61	-	61	4834	6465	11299	56425	62482	118907

Table 6: Community survey 2016 – Population Growth / Decline

Growth/ Decline rate	Number
1996	120 007
2001	118 810
2011	120 520
2016	118 907

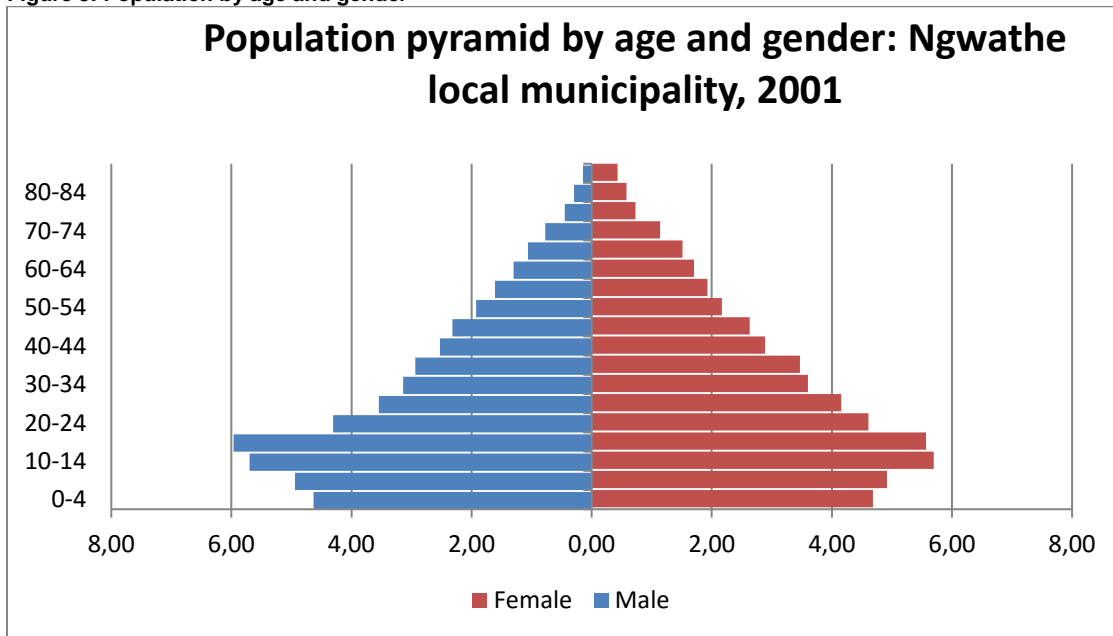
The above table shows that the population decreased in 2001 by 1197 people from 1996. In 2011 the number then increased again 2011 by 1710. Five years down the line the number also decreased by 1613 people in 2016. In essence, it proves that in the last 20 years the population stayed constant.

Figure 2: Population pyramid by age group and gender, 1996, 2001 and 2011



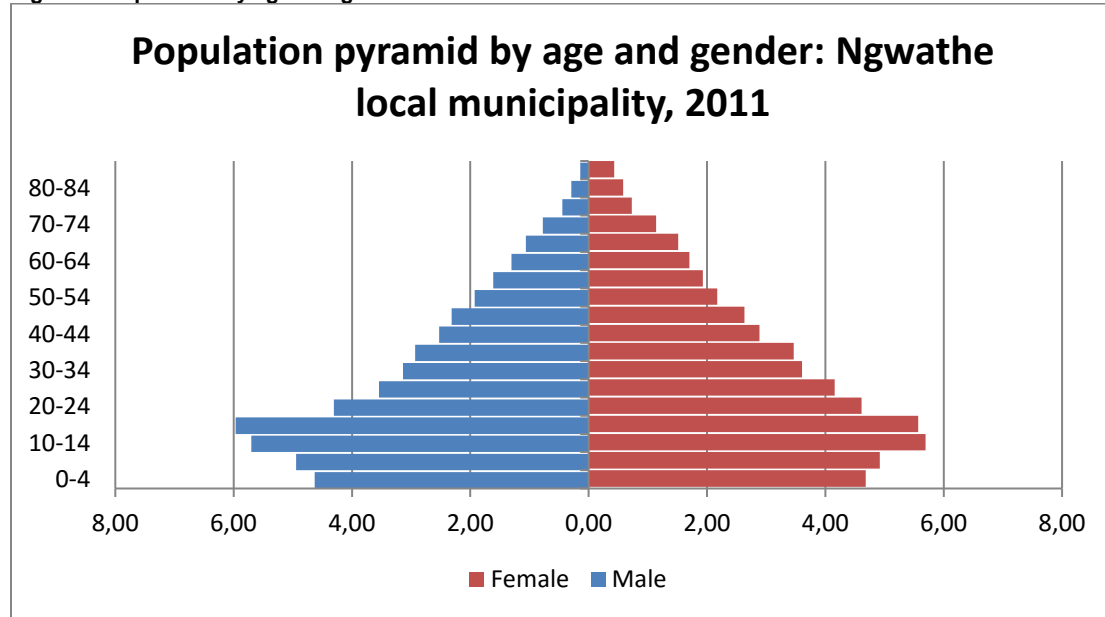
Source: STATSSA, Census 1996

Figure 3: Population by age and gender



Source: STATSSA, Census 2001

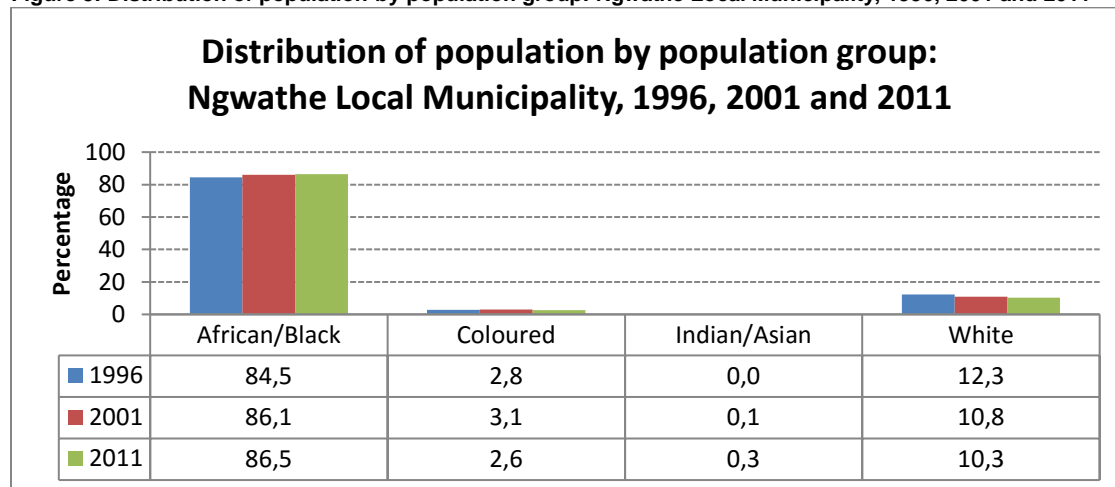
Figure 4: Population by age and gender



Source: STATSSA, Census 2011

Population pyramid (Figure 1) for 1996, 2001 and 2011 shows a bulge at the lower levels age groups 10-19 years old. This shows that the municipality consist of the young population who still needs to go to school and enter the labour market in few years. It also shows that the older population 60 years and above lives longer. Females seem to be out living the males as shown in the pyramid that on the female side for older population it is wider than the male side.

Figure 5: Distribution of population-by-population group: Ngwathe Local Municipality, 1996, 2001 and 2011



Source: STATSSA, Census 1996, 2001 and 2011

Figure 5 above shows that the municipality consists of the large number of Black African population followed by whites then coloureds. However, the Indian population is the smallest it has been growing from less than 0.1% in 1996 to 0.3% in 2011.

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Table 8: Household survey 2016

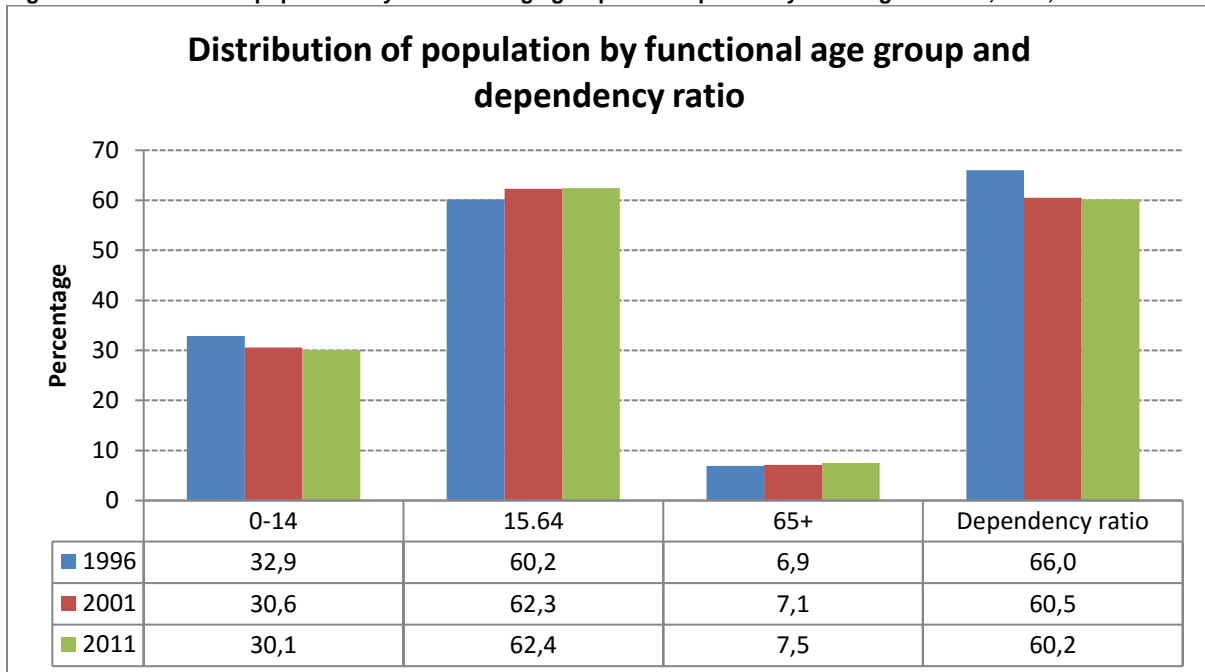
Black African			Coloured			Indian/Asian			White			Total		
Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
50027	54480	104507	1502	1537	3039	61	-	61	4834	6465	11299	56425	62482	118907

Table 9: Percentages in line with 2016 survey as compared to outer years' surveys

BLACK	COLOURED	INDIAN	WHITE
88	2.6	0.05	9.5

The table above shows that the number of Black people increased by 1.5% in 2016 from 2011 statistics, number of Coloureds remained the same, number of Indians increased by 0.2% and the number of White people decreased by 0.8%.

Figure 6: Distribution of population by functional age groups and dependency ratio: Ngwathe LM, 1996, 2001 and 2011



Source: STATSSA, Census 1996, 2001 and 2011

Dependency ratio for the municipality decreased from 66% in 1996 to 60% in 2011. Though there has been a decrease in dependency ratios, 60% is still high. This means that the dependent population (0-14 years and 65+ years) are many. The proportion of persons 65 years and older increased from 6.9% in 1996 to 7.5% in 2011

Socio Economic Indicators

Table 9: Distribution of population by age/gender/education levels: Ngwathe LM, 1996 ,2001 and 2011

	1996		2001		2011	
	Male	Female	Male	Female	Male	Female
No schooling	4680	6247	5066	6839	2657	3531
Some primary	7132	8709	7250	8783	5820	7910
Completed primary	2356	3019	2259	2812	1696	2172
Some secondary	10083	11779	9617	11385	11780	13338
Greade 12 / Std 10	3780	4153	5329	5803	9148	9586
Higher	1699	1698	1763	1877	2202	2440

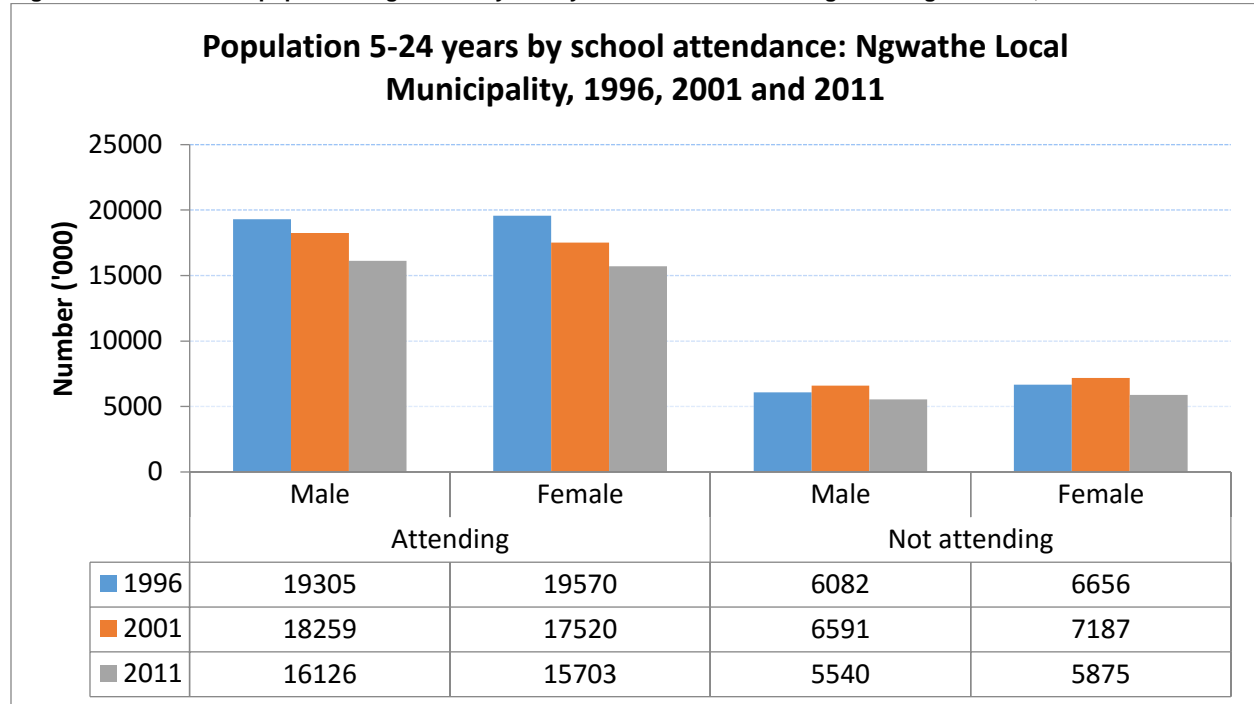
Source: STATSSA, Census 1996, 2001 and 2011,

Table 10: 2016 household survey statistics

No schooling	4301
Grade 0	3432
Grade 1/Sub A/Class 1	3568
Grade 2/Sub B/Class 2	3244
Grade 3/Standard 1/ABET 1	4809
Grade 4/Standard 2	4927
Grade 5/Standard 3/ABET 2	5099
Grade 6/Standard 4	6059
Grade 7/Standard 5/ABET 3	5948
Grade 8/Standard 6/Form 1	7732
Grade 9/Standard 7/Form 2/ABET 4/Occupational certificate NQF Level 1	8313
Grade 10/Standard 8/Form 3/Occupational certificate NQF Level 2	11406
Grade 11/Standard 9/Form 4/NCV Level 3/ Occupational certificate NQF Level 3	9426
Grade 12/Standard 10/Form 5/Matric/NCV Level 4/ Occupational certificate NQF Level 3	21877
NTC I/N1	98
NTCII/N2	28
NTCIII/N3	166
N4/NTC 4/Occupational certificate NQF Level 5	333
N5/NTC 5/Occupational certificate NQF Level 5	153
N6/NTC 6/Occupational certificate NQF Level 5	273
Certificate with less than Grade 12/Std 10	43
Diploma with less than Grade 12/Std 10	195
Higher/National/Advanced Certificate with Grade 12/Occupational certificate NQF	493
Diploma with Grade 12/Std 10/Occupational certificate NQF Level 6	1426
Higher Diploma/Occupational certificate NQF Level 7	534
Post-Higher Diploma (Master's	304
Bachelor's degree/Occupational certificate NQF Level 7	1001
Honours degree/Post-graduate diploma/Occupational certificate NQF Level 8	565
Master's/Professional Master's at NQF Level 9 degree	176
PHD (Doctoral degree/Professional doctoral degree at NQF Level 10)	65
Other	230

The number of learners who have completed matric has increased by 3 143 from 2011 to 2016 and the number of people who undergone tertiary education increased by 1441 from 2011 to 2016.

Figure 7: Distribution of population aged 5 – 24 years by school attendance and gender: Ngwathe LM, 1996 2001 and 2011



Source: STATSSA, Census 1996, 2001 and 2011

Table 11: Distribution of population by employment status and unemployment rate: Ngwathe LM, 1996 2001 and 2011

	Employed	Unemployed	Unemployment rate
1996	26313	13335	33.6
2001	22064	19643	47.1
2011	25376	13814	35.0

Source: STATSSA, Census 1996, 2001 and 2011

The unemployment rate in the municipality was high in 2011 at 35%. Though it was high in 2011 there was an improvement from the highest unemployment rate experienced in 2001 whereby almost half of the labour force was unemployed. The 2016 household survey does not show the unemployment status and therefore we rely on the 2011 statistics

NGWATHE LOCAL MUNICIPALITY IDP REVIEW 2018/19

Table 12: Number of households and the average household size: Ngwathe LM, 1996 2001 and 2011

	Number of households	Average household size
1996	29575	4.0
2001	32108	3.6
2011	37102	3.2

Source: STATSSA, Census 1996, 2001 and 2011

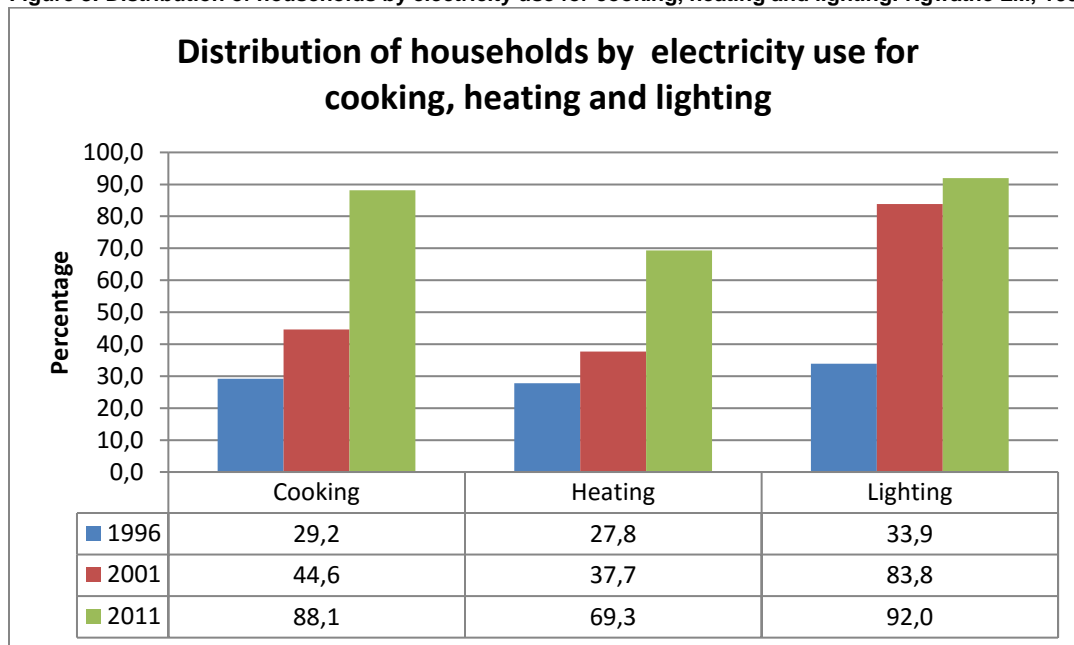
Table 13: 2016 Community Survey statistics

Ngwathe Local Municipality FS203: Ngwathe	Households
	40910

Number of households increased by 7 527 from 29 575 in 1996 to 37 102 in 2011. The household size decreased from 4 persons per household to 3 per household.

The number of households increased by 3808 households in 2016 as compared to the statistics in 2011 which translate to 3 family members staying in one household.

Figure 8: Distribution of households by electricity use for cooking, heating and lighting: Ngwathe LM, 1996 2001 and 2011



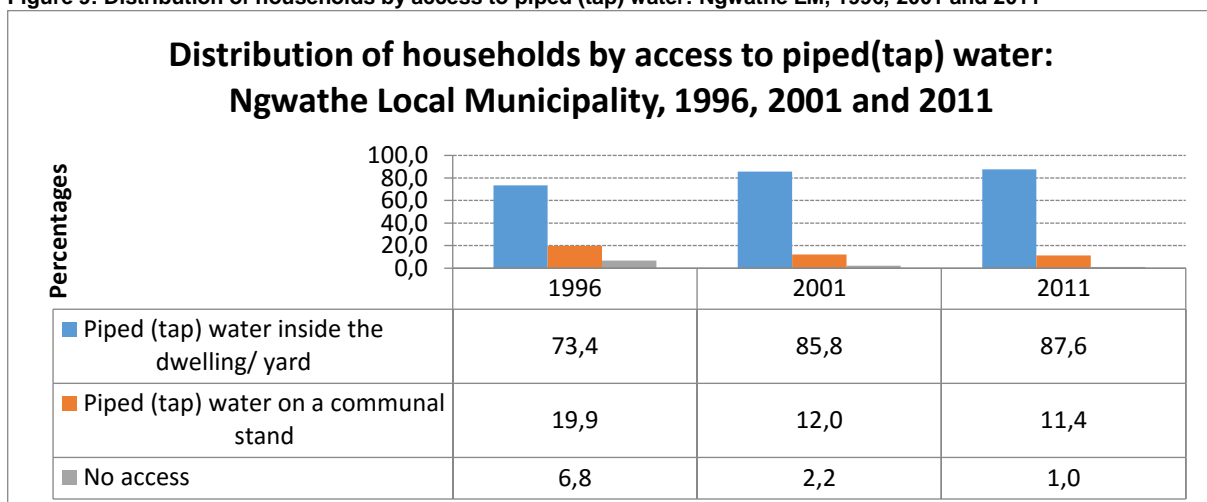
Source: STATSSA, Census 1996, 2001 and 2011

Table14: Statistics 2016 Household survey

Ngwathe Local municipality	Household access to electricity									
	In-house conventional meter	In-house prepaid meter	Connected to other source which household pays for (e.g. con	Connected to other source which household is not paying for	Generator	Solar home system	Battery	Other	No access to electricity	Total
	2959	35321	415	187	0	95	0	99	1835	40910

In 1996 less than 30% of households in the municipality were using electricity for cooking, which improved to be 88% in 2011. The percentage of households connected to electricity infrastructure in 2016 increased to 95%.

Figure 9: Distribution of households by access to piped (tap) water: Ngwathe LM, 1996, 2001 and 2011



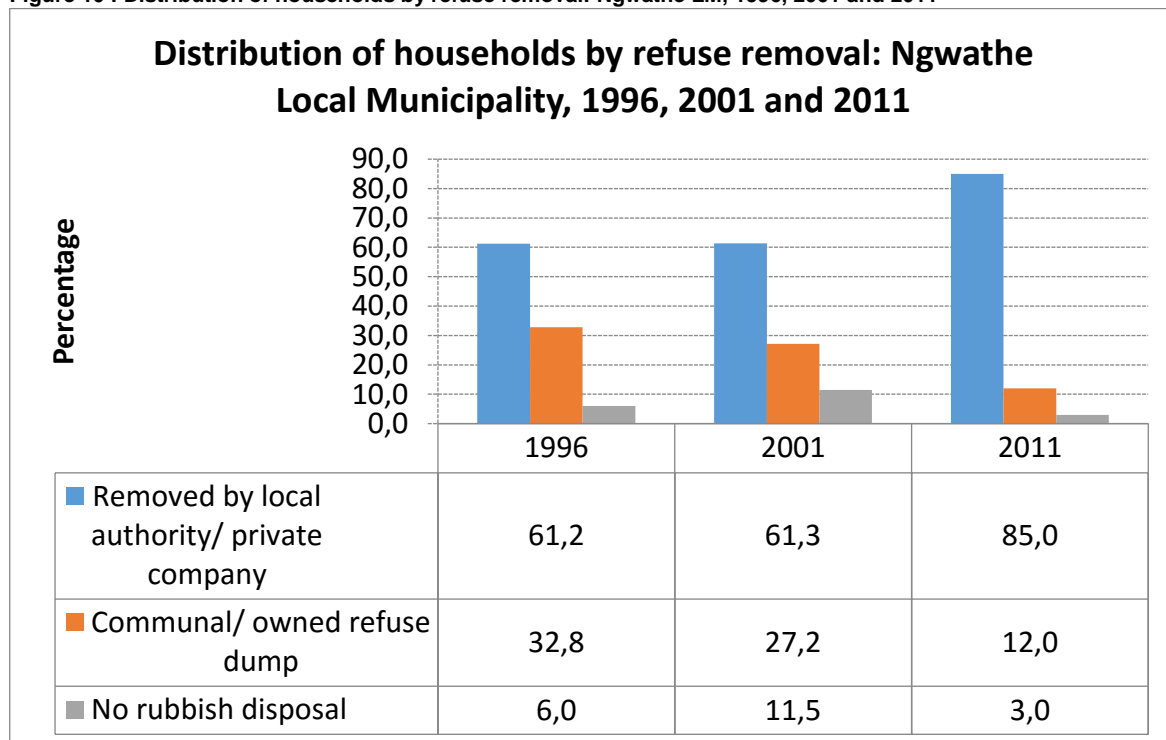
Source: STATSSA, Census 1996, 2001 and 2011

Table15: 2016 Household survey statistics

FS203: Ngwathe Local Municipality	Main source of water for drinking													
	Piped (tap) water inside the dwelling/ house	Piped (tap) water inside yard	Piped water on community stand	Bore hole in the yard	Rain-water tank in yard	Neighbour's tap	Public/ communal tap	Water-carrier /tanker	Borehole outside the yard	Flowing water/ stream/ river	Well	Spring	Other	Total
	12474	24858	1222	447	-	190	779	167	536	53	-	-	184	40910

Table 15 shows that proportion of households with access to piped water improved over the years. In 2011 99% had access to piped (tap) water [88% water inside the yard and 11% on a communal stand]. Only a percent of households had no access to piped water in 2011. 94% households had access to piped (tap) water in 2016 which is a decrease of 5% in 2011.

Figure 10 : Distribution of households by refuse removal: Ngwathe LM, 1996, 2001 and 2011



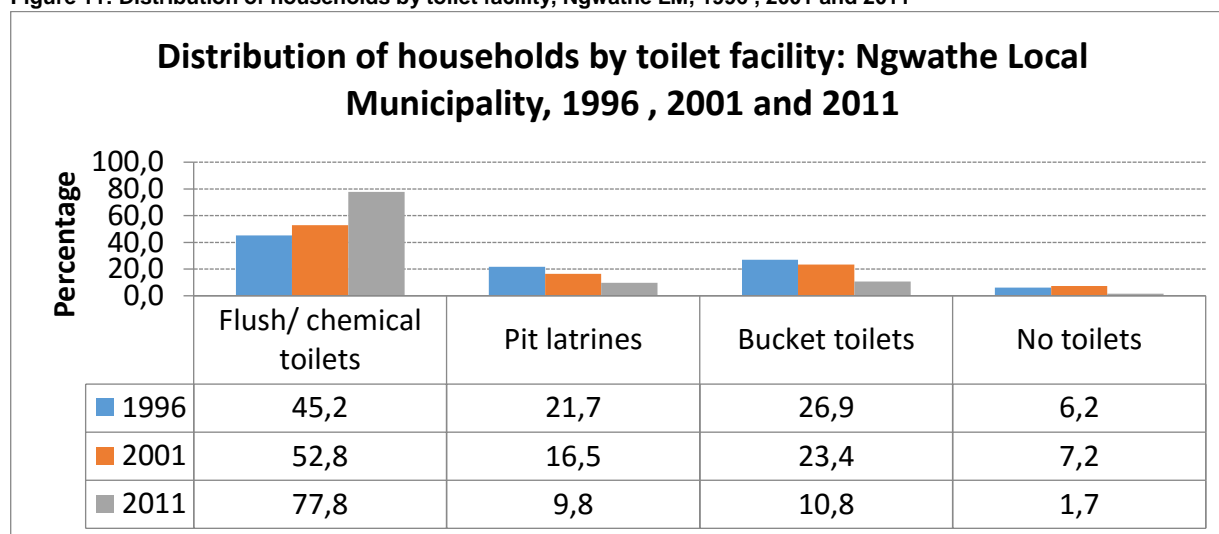
Source: STATSSA, Census 1996, 2001 and 2011

Table 16: 2016 Households Survey statistics

Ngwathe Local Municipality FS203: Ngwathe	Refuse removal							
	Removed by local authority/private company/community members at least once a week	Removed by local authority/private company/community members less often than once a week	Communal refuse dump	Communal container/central collection point	Own refuse dump	Dump or leave rubbish anywhere (no rubbish disposal)	Other	Total
	34539	1438	939	14	2749	1094	138	40910

Table 16 indicates that refuse for 85% of households in 2011 was removed by local authority or private company. Only 3 % of the households did not have rubbish disposal while 12% used the communal or their own refuse dump in 2011. In 2016 the number of refuse removed by local authority or private company increased to 88% as compared to 88% in 2011.

Figure 11: Distribution of households by toilet facility, Ngwathe LM, 1996 , 2001 and 2011



Source: STATSSA, Census 1996, 2001 and 2011

Table 17: 2016 Household's Survey

Main type of toilet facility used										
Flush toilet connected to a public sewerage system	Flush toilet connected to a septic tank or conservancy tank	Chemical toilet	Pit latrine/toilet with ventilation pipe	Pit latrine/toilet without ventilation pipe	Ecological toilet (e.g. urine diversion; enviroloo; etc.)	Bucket toilet (collected by municipality)	Bucket toilet (emptied by household)	Other	None	Total
33124	314	37	1792	939	-	3362	188	502	652	40910

The percentage in flush toilets connected to the infrastructure increased from 77.8% in 2011 to 82% in 2016.

Table 18: Distribution of child headed households: Ngwathe LM, 1996, 2001 and 2011

	1996	2001	2011
Child headed households	277	376	198
Total households	29575	32108	37102
% of child headed households	0.5	1.2	0.5

Source: STATSSA, Census 1996, 2001 and 2011

Table 18 depicts that the number of child headed households decreased from 376 in 2001 to 198 in 2011. Though the 198 child headed households is still a challenge, the decrease in numbers brings a relief to the municipality. Statistical results in the 2016 household survey does not cover child headed households and therefore we depend on the 2011 results

SECTION C:

NGWATHE RURAL SPATIAL DEVELOPMENT FRAMEWORK

Historical Rural Development

Since its official establishment during 1882, **Parys** systematically developed as a service centre. This is primarily attributed to the fact that the town is located on the development axis between Bloemfontein and the Gauteng Metropolitan area. During the period prior to 1982, development of the town did, however, not occur according to a specific development strategy since no strategic planning document existed. During 1982, a non-statutory Guideline Plan was compiled. The document provided a framework for primarily future extensions and proposed a comprehensive bypass road network. This document is outdated and does not effectively contribute towards development as circumstances in the urban area have changed dramatically. Consequently, the proposals in that document are no longer relevant.

Tumahole specifically developed within the background of an internal development framework since the late eighties when rapid growth was experienced. All the phases of residential extension were done within the framework. The latter resulted in Tumahole being a reasonably modern town with a proper road network and the ample provision of community facilities. Currently the larger community is relatively well developed regarding different land uses. Land uses, where not developed, are however, purposefully provided regarding modern urban planning principles. A comprehensive Framework Plan for the Parys urban area was compiled during 1997. This document provides a framework for future development and extension in accordance to present government policy and legislation. During the process, future road networks were completely dealt with together with the integration of the involved communities.

Heilbron typically developed as a small town since its establishment during 1878. The following period saw it developing into a well-established central town, serving the predominant surrounding agricultural community. A strong industrial character lead to the nomination of Heilbron as an industrial growth point during the eighties. Although development occurred in an orderly way, a strategic planning document to guide development, was only available since late 1981. The former structure plan was comprehensively revised in 1992 providing a proper and indicative non-statutory Structure Plan. The document provided a framework for development and specifically addressed the development of a non-noxious and noxious industrial area. The future extension of the Phiritona neighbourhood was additionally addressed. A broad future road network was indicated in the document that influenced future developments to a certain extent especially the development of Phiritona.

Although the non-statutory Structure Plan of 1992 serves as a framework for development, formal status was never given to it due to the fact that the Integrated Development Planning Process was meanwhile developed.

An internal framework for the development of **Phiritona** did, however, exist since the late eighties when rapid growth was experienced. Since then, development occurred within the context of an internal development framework. This resulted in Phiritona also being a reasonably modern town with a proper road network and the ample provision of community facilities. All the phases of

residential extension that followed were done within the framework. Currently, both communities are relatively well developed regarding different land uses.

Since its establishment during 1910, **Koppies** typically developed as a small town, serving the predominant surrounding agricultural community. Development of the town, however, did not occur according to a specific development strategy since no strategic planning documents existed. During 1982, a non-statutory Guide Plan was compiled for the area. The document provided a framework for development and specifically addressed the development of **Kwakwatsi** and the development of an industrial area. Although a new industrial area, situated between Koppies and Kwakwatsi, was developed, development thereof is notably dormant. All the phases of residential extension that followed were done according to modern town planning principles providing a proper road hierarchy and the purposeful distribution of facilities.

Vredefort typically developed as a small town serving the predominant surrounding agricultural community. Development of the town did not occur according to a specific development strategy since no strategic planning documents existed. During 1984, a Structure Plan was compiled for the area. The document provided a framework for development and specifically addressed the development of **Mokwallo**, the extension of the industrial area and the establishment of an over-night truck stop. All the phases of residential extension that followed were done according to modern town planning principles providing a proper road hierarchy and the purposeful distribution of facilities. Land uses, where not developed, are purposefully provided regarding modern urban planning principles. As adequate provision was made for several facilities, the gradual development thereof should now commence.

Edenville/ Ngwathe typically developed as a small town serving the predominant surrounding agricultural community. Development of the town, however, did not occur according to a specific development strategy since no strategic planning documents existed. All the phases of residential extension were done according to modern town planning principles. Currently, both communities are relatively well developed regarding different land uses.

Growth Points and Growth Potential

Future growth is attributed to the influx and the commercial and agricultural components of the region. Limited growth is envisaged due to long term coal mining opportunities as well as the weekend related tourism potential of the area. Future urbanisation will principally be attributed to natural growth and influx in the area. Although the population growth and housing requirements are predicted below, influencing factors described in section 5.3, although not quantitatively analysed, may influence predictions made.

Table 19: Ngwathe Projected Population Growth ²²

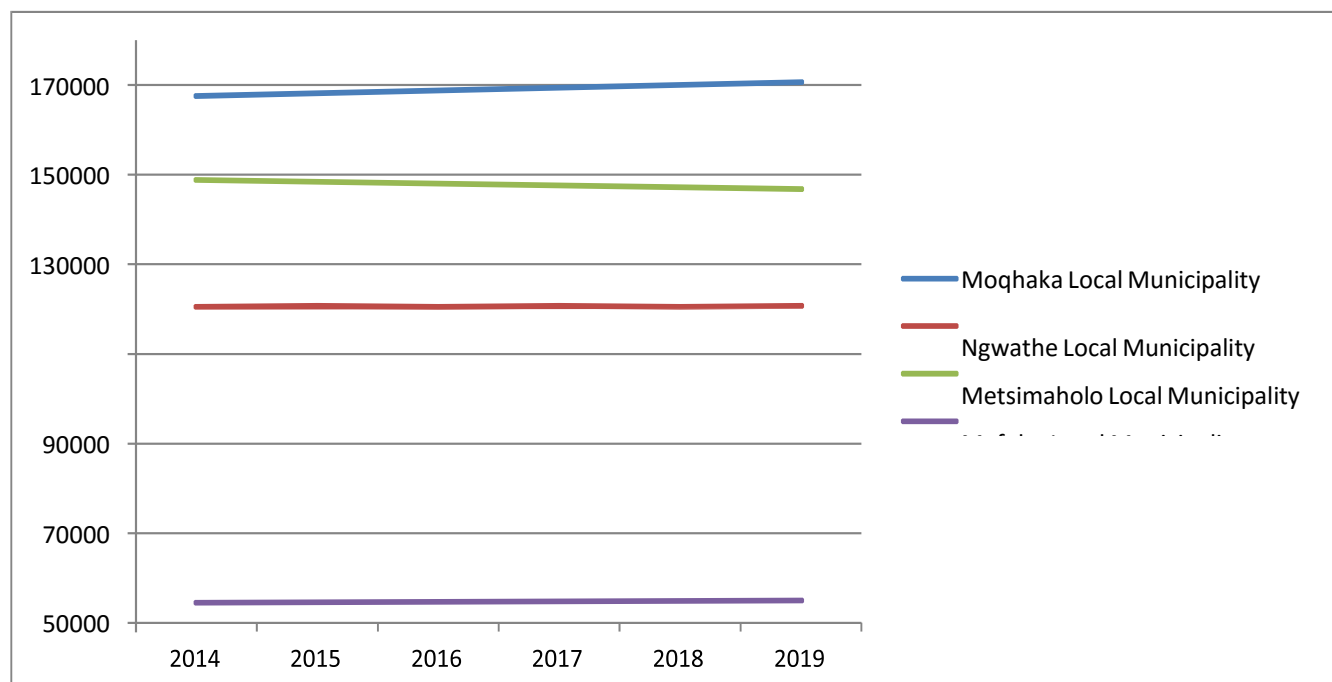
Municipality	2013	2014	2015	2016	2017	2018	2019	Growth 2013/19 (%)
Moqhaka Local Municipality	166954	167503	168074	168670	169290	169936	170608	1.85
Ngwathe Local Municipality	121024	120520	120764	120521	120759	120522	120754	0.99
Metsimaholo Local Municipality	149057	148820	148537	148201	147799	147321	146752	-1.39
Mafube Local Municipality	54439	54547	54651	54750	54845	54936	55023	0.87
Fezile Dabi (District)	491474	491390	492026.3	492142	492693.4	492715	493137.6	0.60

Population growth in the Fezile Dabi District, in general, is lower (0.60%) in comparison to the estimated annual population growth rate of South Africa (1.34%)²³. Although the predicted population growth in the Ngwathe region is slightly higher (0.99%) than the average for the District, it is also lower than the calculated national growth. Population growth, in general, and as illustrated in the graph below, is deemed exceedingly marginal. The above figure confirms the fact that the Free State has the second smallest share of the South African population, constituting just over 5% of the population.

²² Calculated by using Gompertz-curve analytical method

²³ Statistical Release, P0302, Mid-year Population Estimates, 2013

Figure 12: Ngwathe Projected Population Growth



- Due to the dominant regional role Parys and Heilbron play in terms of regional service providers and industrial and commercial development, the focus of urbanisation will probably be on these centres.
- Smaller towns such as Vredefort, Koppies and Edenville primarily accommodate farm workers migrating to these towns.
- Parys with its strong service character and prominent commercial and industrial components, will remain the main town and growth point of the region and will continue to render various services to the surrounding smaller towns and rural areas.
- Koppies and Heilbron are located in areas of agricultural significance and mainly provide services in this regard to the surrounding rural areas.
- Heilbron also has a strong manufacturing component that is principally agricultural related.

Edenville and Vredefort are located in areas of agricultural significance and mainly provide restricted services in this regard to the surrounding rural communities. Substantial future growth of these towns is not foreseen.

Future directions for residential extension, predominantly in the high density low cost residential areas, were identified for all urban areas and indicated on the Spatial Framework.

An assessment of the development potential of urban areas in the Free State Province were endeavored by the Department of Rural Development and Land Reform during 2014, illustrated in the ensuing table. It is evident that:

Parys (including Sasolburg and Kroonstad will remain growth points in the larger Fezile Dabi District.

Heilbron and Koppies additionally might serve as growth points if the existing manufacturing opportunities are exploited in Heilbron and the mining and tourism opportunities are extensively exploited in Koppies.

Edenville and Vredefort will continue to serve as small towns with limited economic growth potential focusing on tourism and providing a service to the agricultural community.

Employment opportunities will mainly be created in Sasolburg, Kroonstad, Heilbron, Frankfort and Parys as continuous growth points.

Koppies also has the opportunity to create future employment opportunities based on the tourism potential as well as the possibility for coal mining in Koppies.

Employment opportunities in the other smaller towns, will remain limited and agricultural orientated.

A number of regional problems have surfaced over recent decades that have demanded the attention of planners and developer's in so far as economic development of small and rural towns, in the broader Free State context, is concerned. The "dying rural town syndrome" seems both the most intractable and the one that continues to capture the public's concern. Development initiatives, at large, do not focus on the plight of the Regional Free State, losing population or businesses, not thriving economically and there is widespread evidence that many urban towns are in trouble. These problems include:

- the sudden economic shocks caused by downturns in "urban areas" because of economic restructuring,
- the continued "emptying" of rural areas,
- the ongoing (and increasing) domination of larger urban areas,
- increasing disparities within and between regions across a wide range of social and economic indicators.

Influencing Factors

The following factors are determined as prominent influences that currently impact or will, in future, impact on development of the region:

Road Infrastructure: An effective primary road network exists in the study area. The secondary road network provided effective access to the above primary road network.

- **Strategic location:** The study area is situated strategically in close proximity to the Gauteng and North West Provinces.
- **Tourism Potential:** The study area has a significant weekend related tourism potential that could, in future, contribute to the GGP of the district and should be further exploited.

- **Agricultural Sector:** The agricultural sector of certain areas in the district is extremely prominent and contributes largely to the GGP of the Fezile Dabi District, which emphasize the agricultural significance of this district. The latter results to industrial development that is agricultural orientated.
- **AIDS:** The impact of AIDS on economic growth patterns is still largely an unknown entity. An increase in mortality will, however, place a large burden on health services and the cost thereof that will influence future economic growth. The estimated overall HIV prevalence rate in South Africa is approximately 10%. The total number of people living with HIV was estimated at approximately 5,26 million in 2013. For adults aged 15–49 years, an estimated 15,9% of the population is HIV positive²⁴.
- **Competition:** The impact of international trade and competition in agricultural products might result that the agricultural sector is internationally less competitive. The latter implies a negative effect on economic growth leading to a possible loss in employment.
- **Pollution:** Impact of pollution on the Vaal River through high-density development.
- **Influx:** Influx of residents from neighboring metropolitan areas (Gauteng and Vanderbijlpark and Vereeniging) is deemed a critical influencing factor. The continuous influx of migrant workers, using the towns of Sasolburg, Parys and Deneysville (Parys and Heilbron to a lesser extent) as satellite or “sleep towns” is a burden on the delivery of housing in the Fezile Dabi District. Migration therefore is an important demographic process in shaping the age structure and distribution of the provincial population.

²⁴ Statistical Release, P0302, Mid-year Population Estimates, 2013

Ngwathe Rural SDF

A : CORE

Vredefort Dome World Heritage Site

Some 2-billion years ago a meteorite 10 kilometers in diameter hit the earth about 100 km southwest of Johannesburg, creating an enormous impact crater. This area, near the town of Vredefort in the Free State, is known as the Vredefort Dome. The meteorite, larger than Table Mountain, caused a thousand-megaton blast of energy. The impact would have vaporized about 70 cubic kilometres of rock - and may have increased the earth's oxygen levels to a degree that made the development of multicellular life possible. The world has about 130 crater structures of possible impact origin. The Vredefort Dome is among the top three, and is the oldest and largest clearly visible meteorite impact site in the world. Vredefort's original impact scar measures 380 km across and consists of three concentric circles of uplifted rock. They were created by the rebound of rock below the impact site when the asteroid hit. Most of these structures have eroded away and are no longer clearly visible. The inner circle, measuring 180 km, is still visible and can be seen in the beautiful range of hills near Parys and Vredefort. An interpretation centre was recently established on the outskirts of Vredefort on route to Parys.

The Ngwathe SDF does not attempt to also prepare a SDF for the VDWHS, as it is deemed a unique planning exercise to be undertaken by several specialists. Although several efforts to prepare appropriate development guidelines for the VDWHS, were endeavored in the past, all were unsuccessful and not approved by roleplaying authorities. It is foreseen that a regional SDF will, in due course, be attempted. This SDF, however, identified the following development goal for the VDWHS, aligned with the recently prepared.

To promote the optimal development and utilisation of the unique tourism potential of the Ngwathe region, whilst not compromising the outstanding universal value of the adjacent VDWHS and unduly impairing the safe, undisturbed and quiet enjoyment of the area.

The SDF highlighted the fact the practicality of the VDWHS buffer areas need to be investigated; especially in the immediate vicinity of Parys and Vredefort, as they impede on the natural hinterland of the involved urban areas. The tar road between Vredefort and Parys should preferably serve as buffer boundary and land to the east thereof released for urban development of Parys and Vredefort.

STATUS QUO	FUTURE DEVELOPMENT FRAMEWORK
<p>The Parys District comprises an unique nature and environmental assets such as the Vredefort Dome, landscapes associated with the dome, the Vaal River, its tributaries and riparian also including several in stream islands (in the proximity of Parys).</p> <p>The Parys islands system (Bok, Steyn and Woody Islands) is unique, environmentally sensitive and subject to sporadic flooding.</p> <p>The VDWHS and associated buffer areas are located close to Parys. Due to the demarcated municipal boundaries (between Ngwathe and the Moqhaka Municipality) only 3 properties of the Dome and its associated buffers (located on the Free State side), are located in the Ngwathe Municipality – most of the properties are located in the Moqhaka Municipality.</p> <p>The Heilbron Conservancy, established during 1987, is located in the urban area and includes the Eland Spruit, tributaries thereto and the Unifees Dam. The latter is deemed a significant surface water feature</p>	<ul style="list-style-type: none"> ▪ Optimal development and utilisation of the unique tourism potential of the VDWHS and Vaal River areas is proposed, but without compromising the outstanding universal value thereof and unduly impairing the safe, undisturbed and quiet enjoyment of the area. ▪ Significant surface water features (Vaal River), as well as their tributaries must be regarded as sensitive to activities that might further deteriorate their quality. ▪ The practicality of the VDWHS buffer areas need to be investigated; especially in the immediate vicinity of Parys and Vredefort, as they impede on the natural hinterland of the involved urban areas. The tar road between Vredefort and Parys should preferably serve as buffer boundary and land to the east thereof released for urban development of Parys and Vredefort. ▪ Significant surface water features (Unifees Dam) as well as its tributaries must be regarded as sensitive to activities that might further deteriorate

STATUS QUO	FUTURE DEVELOPMENT FRAMEWORK
<p>Sections of the Francolin Creek Conservancy (Between Heilbron and Frankfort) and Ghoya Africa Conservancy (in close proximity of Heilbron) are situated in the region. A future conservancy is presently being considered adjacent the Renoster River to finally link up with the Koppies Dam Nature Reserve</p> <p>The Koppies Dam Nature Reserve, although not part of the urban area, is located just outside Koppies and is the primary water source to the surrounding agricultural scheme. The Koppies agricultural scheme, including the Renoster River and Koppies, Weltevrede and Rooipoort Dams, are the most prominent natural resources and must be protected to minimise pollution thereto .</p> <p>The VDWHS Interpretation Centre, is located in the urban area of Vredefort. The road adjacent thereto is considered as one of the primary ports of entry to the VDWHS. A substantially large pan, covering 6 km², believed to be the centre of the dome (referred to as the “Inland Sea”) is located 12 km southeast of Vredefort on the R723 (gravel road to N1). It is</p>	<ul style="list-style-type: none"> ▪ The current initiative by private landowners to establish conservancies, especially adjacent prominent rivers in the area, should be supported. ▪ Future extensions and enlargement of the Francolin Creek and Ghoya Africa Conservancy should be supported. ▪ A future conservancy adjacent the Renoster River should be promoted in the future. ▪ Tourism related development in these conservancies and adjacent to roads in the conservancies should be given preference ▪ Optimal development and utilisation of the unique tourism potential of the Koppies Dam area, whilst not compromising the outstanding universal value thereof and unduly impairing the safe, undisturbed and quiet enjoyment of the area. ▪ Significant surface water features (Koppies, Weltevrede and Rooipoort Dams), as well as their tributaries must be regarded as sensitive to activities that might further deteriorate their quality. ▪ Riparian areas to the Renoster River and Leuuw Spruit and their tributaries are an integral part of the river ecosystem and are regarded as important ecological features, which experience substantial development pressures. ▪ Riparian areas to the Lesotho Spruit and its tributaries are an integral part of the river ecosystem and are regarded as important ecological features, which experience substantial development pressures.

STATUS QUO	FUTURE DEVELOPMENT FRAMEWORK
<p>It is entirely located on privately owned, farm land.</p> <p>Areas directly adjacent Edenville, have been identified as extremely environmental sensitive. A red data species, <i>Sun Gazer Lizard</i>, is present on the sites. The Rooikraal Spruit flows through the urban area.</p>	<ul style="list-style-type: none"> ▪ An area directly adjacent Edenville to the south and an area adjacent the access to Edenville to the north, has been identified as extremely environmental sensitive due to the presence of <i>Sun Gazer Lizards</i> and must be protected. ▪ Riparian areas to the Rooikraal Spruit and its tributaries are an integral part of the river ecosystem and are regarded as important ecological features, which

B : BUFFER

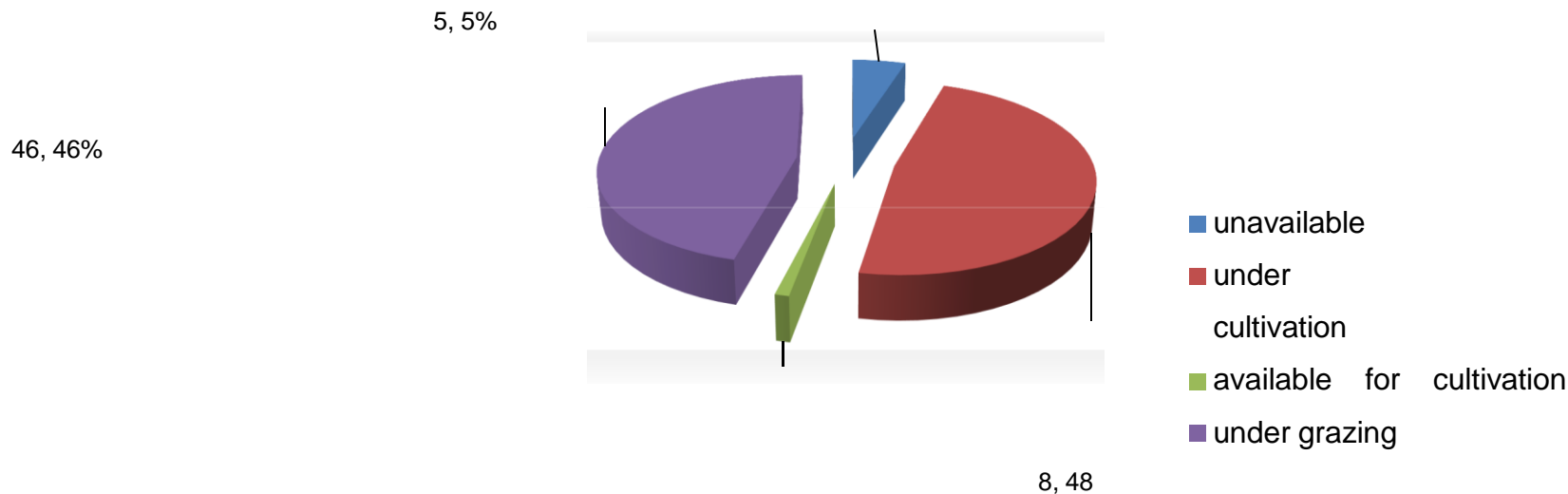
- The practicality of the VDWHS buffer areas needs to be investigated; especially in the immediate vicinity of Parys and Vredefort, as they impede on the natural hinterland of the involved urban areas. The tar road between Vredefort and Parys should preferably serve as buffer boundary and land to the east thereof released for urban development of Parys and Vredefort.
- The following rivers and their tributaries are significant natural resources and should be protected to minimise pollution thereof.
 - Parys Region: The Vaal River and Oudewerf Spruit
 - Heilbron Region: Eland Spruit, Unifees Dam being a significant surface water features
 - Koppies Region: Renoster River and Leuuw Spruit and significant surface water features (Koppies, Weltevrede and Rooipoort Dams) and their tributaries are a significant natural resource and should be protected to minimise pollution thereof.
 - Water provision to the Koppies agricultural scheme
 - Vredefort Region: Lesotho Spruit
 - Edenville Region: Rooikraal Spruit
- The Council will, however, support high cost low density estates or resort developments in the rural areas, subject to the appropriate guidelines. In the Parys area the following will be considered:
 - to the east of Parys and further east, between the Vaal River and the Sasolburg Road, only should the developments adhere to the Free State Province, Department of Local Government and Housing, Spatial Planning Directorate's *Development of Rural and Peri-Urban Areas Guidelines*

- To the west of Parys, only should the developments adhere to development guidelines applicable to the VDWHS and the VDWHS EMF.
- The fact that Parys does not comprise of land to provide in exceedingly sought after high cost residential properties, further motivates residential extensions further east and west.

C : AGRICULTURAL AREAS

The region accommodates predominantly agricultural related activities. Only a restricted percentage of the region is unavailable for agriculture purposes (5%). A fairly significant portion of the region (48%) is currently under cultivation, which is attributed to the average rainfall in the area and the general availability of water for irrigation purposes.

Figure 13 : **Average Application of Agricultural Land : Fezile Dabi Region**



- The only formally developed irrigation scheme exists adjacent Koppies
- Future agricultural growth can primarily be created by value-added supplementary agricultural practices (Hydroponics, Tunnels, and Irrigation Schemes etc.)

The Free State Department of Agriculture, Forestry and Fisheries (during 2009) in “*A Study to Investigate Opportunities for Value Add Agriculture in the Free State Province*”, identified the following significant agriculture practises for the Northern Free State Region, the most agricultural active region in the province:

Soya Beans (dairy replacement production/products)

Sunflower (biofuel, oil and secondary products i.e. margarine, mayonnaise etc. such as the currents refinery at Villiers)

Cattle Farming (primary production in the north-eastern Free State, feedlots and diversify products)

Game Farming (venison and biltong products, secondary tourism)

Limited opportunities for poultry abattoirs (area currently comprises several abattoirs and market deemed saturated)

Niche Sector : honey production

- Current restrictions on the alteration of natural veldt into cultivated fields should be adhered to
- Subdivisions to riparian properties must ensure a minimum waterfront of 100 m for subdivisions and the remainder
- Subdivisions of agricultural land will be considered for formal development of holiday resorts (non-permanent residing) and *Leisure Residential Developments*²⁵ according to Free State Province, Department of Local Government and Housing, Spatial Planning Directorate's *Development of Rural and Peri-Urban Areas Guidelines*

STATUS QUO	FUTURE DEVELOPMENT FRAMEWORK
Virtually, the larger part of the region that is suitable for cultivation is being utilised (48%) and only 1% could still be developed for that purpose. Stock farming (46%) is mainly extensive, focussing on grazing and dairy farming. It can generally be determined that the region is developed to its optimum with regard to agriculture and future development of this sector is thus not foreseen.	Only 1% of the study area is not optimally utilised for cultivation or grazing that provides future potential for agricultural purposes. <ul style="list-style-type: none"> ▪ Future agricultural growth can primarily be created by value-added supplementary agricultural practices (Hydroponics, Tunnels, etc). ▪ Small-scale farming is relatively latent and potential exists to provide in

²⁵ LEISURE RESIDENTIAL DWELLINGS – means dwelling houses developed under sectional title or share block scheme mostly in (but not limited to) peri-urban and rural settings of environmental significance, nature conservation area or with vistas on or with access to settings of environmental significance, with or without access to leisure, recreational and sports facilities and features such as golf-courses, hiking trails, river fronts and the like.

STATUS QUO	FUTURE DEVELOPMENT FRAMEWORK
	Existing smallholdings, serviced by the irrigation scheme at Koppies, should be investigated to determine how it can be utilised more effectively and productively and to possibly re-establish small scale farmers on economically viable smallholdings.

Land for the purposes of commonage was obtained for all the urban areas involved. Gradual urban encroachment occurred, in some areas, on commonage land (illustrated below). The phenomenon is due to the commonage land, in most instances, being located on the immediate hinterland of particular urban area. As a consequence, additional land has to be timely obtained. The table below further indicates the urban areas where land needs to be acquired for anticipated urban extension.

Table 20: Land Status

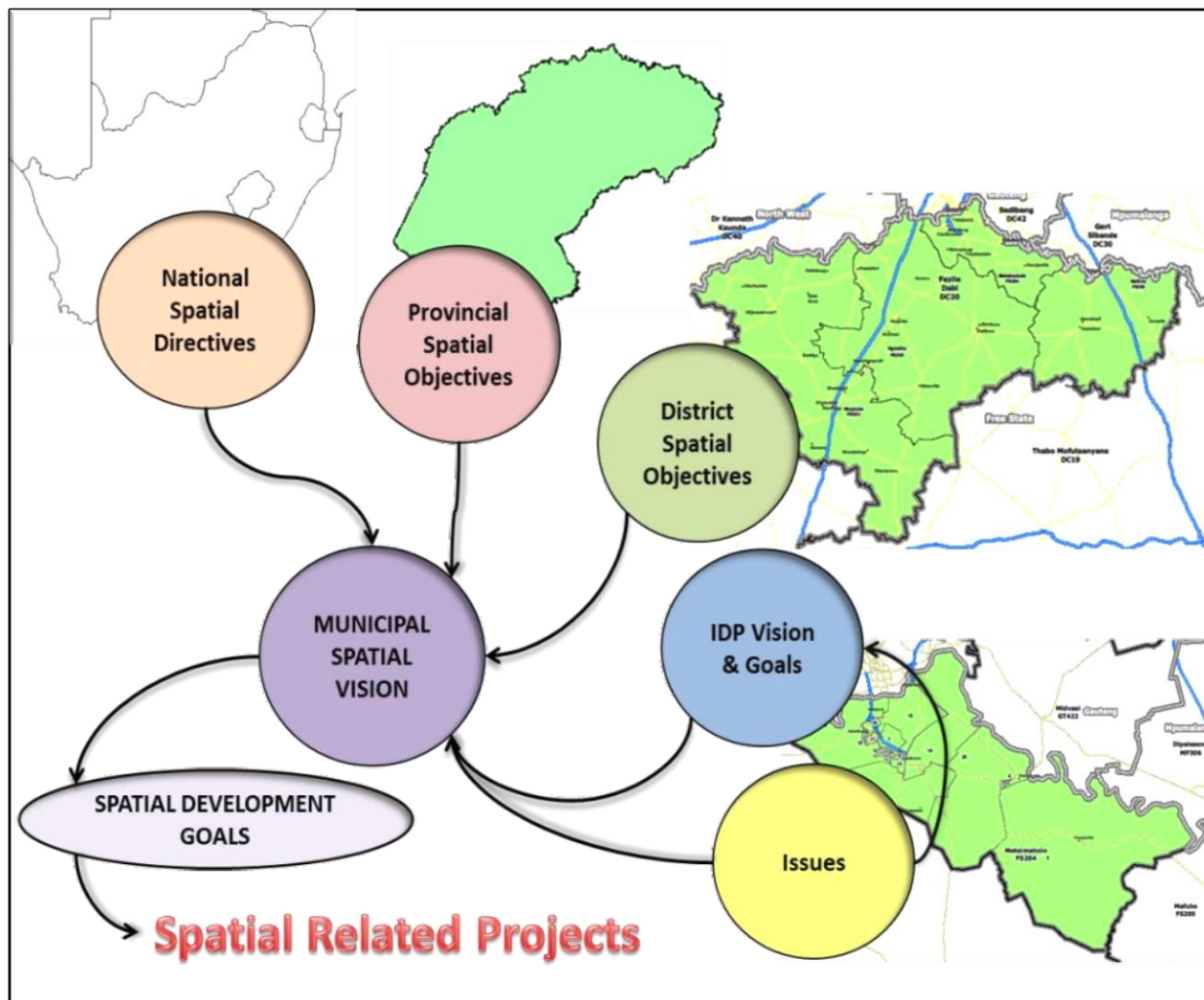
<u>Urban Area</u>	<u>Land to be Acquired</u>
Parys Area	Continual extension in a north-easterly direction will necessitate purchasing of additional commonage to the east of Tumahole and Schonkenville. It is proposed to acquire: <ul style="list-style-type: none"> - Subdivisions 3 & 4 of the farm Boschkop 220 - The remainder of the farm Kliprug 344 - Subdivision 1 of the farm Wildehondekop 396 - Subdivision 9 of the Farm Pistorius Rust 288
Heilbron Area	Long term urban extension of Phiritona will necessitate the purchasing of additional land, namely the farms: <ul style="list-style-type: none"> - Weltevreden 257 - Mayville 960 - Subdivision 1 Modderfontein 122
Vredefort Area	Should future urban extensions on the commonage farms, Subdivisions 8 and 9 of the farm Vredefort 148 be considered, it will necessitate acquiring of additional commonage (175 & 147 Ha respectively). Specific farms have not been identified.

<u>Urban Area</u>	<u>Land to be Acquired</u>
Koppies Area	The following commonage is urgently required as a consequence of urban extension on commonage land: <ul style="list-style-type: none"> - Rem and Sub 1 of the farm Lionriver 154 - Subdivision 1 of the farm Goedverblyf 208 - Plots 1017, 1018 & 1019
Edenville Area	Future urban extensions on the commonage farm, Subdivision 1 of the farm Stilledal 53, will necessitate acquiring of additional commonage (approximately 280 Ha).

D: URBAN RELATED

The rural area comprises 2332 farms (excluding the subdivisions of agricultural land adjacent the Vaal River). The current tendency is for most rural families to rather reside in the urban areas with only the labourer's residing on the farms during the week. A substantial migration occurred the past few years from the rural to the urban areas. Current housing needs and the provision of housing in the urban areas are illustrated below. The continuous expansion and growth of urban areas imply that additional land will have to be acquired for most of the urban area. A summary of the short term land requirement is provided above

Figure : 14



NGWATHE MUNICIPALITY IDP REVIEW 2018/19

Table 21: Summary of Housing Needs in Ngwathe per Urban Area

<u>RESIDENTIAL AREA</u>	<u>RESIDENTIAL ERVEN OCCUPIED</u>	<u>RESIDENTIAL ERVEN UNOCCUPIED</u>	<u>TOTAL RESIDENTIAL ERVEN</u>	<u>ERF REQUIREMENTS</u> <i>(Determined by Council)</i>
Parys	2 376	667	3 043	Non
Tumahole	10 263	1 863	12 238	e
Schonkenville	733	-	733	Non
SUBTOTAL	13 372	2 530	16 014	e
Heilbron	806	25	831	Non
Phiritona	6 091	2381	8 472	e
Sandersville	367	-	367	Non
SUBTOTAL	7 264	2 406	9 670	e
Koppies	338	116	454	Non
Kwakwatsi	3 019	2153	5 172	e
SUBTOTAL	3 357	2 269	5 626	Non
Vredefort	480	25	505	1000
Mokwallo	4 400	806	5164	1 000
Vredeshoop	96	-	96	Non
SUBTOTAL	4 976	831	5 765	e
TOTAL	250	60	310	

(Source Municipality, 2014)

Resorts and Tourism

The area is not considered as a primary tourist destination, although it is increasingly becoming a favourite weekend destination. The hunting and guesthouse industries displayed an exceedingly rapid growth the past few years. Tourism only contributes 3,1% to the GDP of the district in 2010. The industry needs to grow to levels as experienced in the province which has a contribution of 5,9% of GDP. Tourism in the district has been growing steadily at 3,4% per annum. As could be expected, the Ngwathe area has the highest levels of tourism at 9,7% of GDP, while the Metsimaholo area has only a 1,7% contribution to GDP. There is a potential for growth in the tourism sector and needs to be exploited, especially in terms of the domestic market. (LED Report, 2013).

Apart from the pristine natural landscapes, especially related to the VDWHS, The Free State Province played a significant role in the Anglo Boer War, resulting in a number of historically important tourist attractions. The Koppies area, for example, is becoming well known for various battlefields as tourist attractions.

- The R82 Battlefield Route from Kroonstad to Greenlands, including the Rooiwal Battlefield, has been officially established.
- Improvements and upgrading of the battlefields were recently endeavoured.
- Other sites of significant value are the Vredeweg Concentration Camp Cemetery (Koppies district).
- As a result of the Boer Matabeli War, the Kwantitse Battlefield, also known as the Vegkop Battlefield (Heilbron area), is considered as a significant tourist attraction.
- The area is not considered as a primary tourist destination, although it is increasingly becoming a favourite weekend destination. The hunting and guesthouse industries displayed an exceedingly rapid growth the past few years. Tourism only contributes 3,1% to the GDP of the district in 2010.

Parys Area:

Parys, due to its favourable location to Gauteng, is a popular weekend tourist destination rendering the urban area ideal for enhanced tourism development. The town additionally houses several sporting events. The Council will support feasible tourism developments, meeting legal guidelines and standards, to contribute to local economic development. Significant tourism facilities include:

- VDWHS with associated guest houses, venues, game farms and resorts
- The Mimosa Gardens and Rotary Resort
- Vaal de Grace, Island 13 and Parys Golf & Country Estates
- Afri-dome equestrian centre and associated venues

Resorts and Tourism

Two scenic routes were identified that run virtually parallel to the Vaal River in the Koepel area and comprise of extreme beauty, unique topography and landscape features. The routes also provide, in some instances, access to the Vaal River and are identified as the Koepel Scenic Route (Sections of Roads S 264, 212, 80 & 713) and the Vaal Eden Scenic Route (Sections of Roads S 1052 & 171).

Heilbron Area:

- The Unifees Dam.
- As a result of the Boer Matabele War, the Kwantitise Battlefield, also known as the Vegkop Battlefield (Heilbron area).
- The Francolin Creek Conservancy and Ghoya Africa Conservancy (between Heilbron and Frankfort on the R34 road).

Koppies Area:

The region experienced an increase in the tourism industry regarding weekend tourism destinations. Specific reference is made to the game ranches and guesthouses on farms. Other significant tourism resources proposed for enhancement are:

- Koppies Dam Resort and Nature Reserve
- Rooipoort Dam private resort
- The R82 Anglo Boer Battlefield Route from Kroonstad to Greenlands,
- Rooiwal Battlefield (Koppies District)
- Vredefortweg Concentration Camp Cemetery (Koppies district)
- Bentonite mining area

Vredefort Area:

- The Vredefort crater is the largest verified impact crater on Earth, more than 300 km across (when it was formed) and named after the town of Vredefort, situated near its centre. Although the crater itself has long since eroded away, the remaining geological structures at its centre are known as the Vredefort Dome or Vredefort impact structure, since 2005 located in the VDWHS.
- Biodiversity in the area is underexplored and probably underestimated in terms of its value and eco-tourism potential.
- The region experienced an increase in the tourism industry regarding weekend tourism destinations. Specific reference is made to the game ranches and

guesthouses on farms.

- There is neither a resort nor any significant tourism related characteristics in Vredefort *per se*, although the town is closely related to the VDWHS and

Edenville Area:

There is neither a resort nor any significant tourism related characteristics in Edenville and its immediate surroundings. A possibility exists to provide a small tourist facility/view point at an old exploited lime mine.

- Biodiversity in the area is underexplored and probably underestimated in terms of its value and eco-tourism potential.
- Specific reference is also made to the game ranches and guesthouses on farms.

Airfields

Parys:

The Parys Aerodrome is well developed Future expansion of runways may be costly due to specific terrain aspects. Approach angles and safety zones associated with the Parys Aerodrome, must not be utilised for residential extension; especially high density development, as it may result in withdrawal of the Civil Aviation's license, rendering the airport ineffective and jeopardising proposed value adding development adjacent thereto. Development in association with the airport i.e. a "Fly In" estate and mixed commercial, light industrial and residential uses adjoining the airport, is proposed.

Heilbron:

Recent urban extensions northwest of the runway (Extension 9 & 10), encroached into the approach angels and safety zones of the airfield. It was ill maintained for several years and infrastructure and facilities demolished. Runway beacons and strip lights have also since been vandalised and/ or removed. The airstrip, that used to be a proper tar runway, was not recently resurfaced and is used by the community as driving school and for recreational driving.

- Safety of the airfield has been compromised due to ill maintenance, high density residential extensions adjoining it, mining and non-aviation related activities in close proximity thereof, rendering it unusable. Proposed developments adjacent thereto should be allowed and the remaining areas, planned for urban extension.
- Relocation should be considered to a more appropriate location (northwest of Heilbron) and the runway incorporated as a major collector road to the vast northeastern precincts of Phiritona.

Koppies:

Koppies comprises a registered airfield, although not properly maintained. The role of the airfield may be enhanced in view of future coal mining activities, anticipated in the region.

E : INDUSTRIAL AREAS

Extractive Industries (Mining)

Regional mining activities are restricted to the following:

- Gravel obtained from several open cast pits for construction or road building purposes
- Bentonite deposits at Koppies
- Granite formations at Parys
- Sand winning along the Vaal River (Parys vicinity)
- Alluvial diamonds are exploited, isolated locations of Vaal River riparian
- Volcanic pipes are mined in the region at Voorspoed (De Beers) and Lace Mines (Private)
- Future exploitation of rich coal deposits in the Koppies vicinity is highly likely

F : SURFACE INFRASTRUCTURE & BUILDINGS

Railway Lines and Stations

The Dover/ Vredefort railway line extends through the Parys urban area. The Parys station is situated on a branch line and further expansion is not envisaged. The railway line limits urban integration and access to the industrial area while it causes the town to develop in a ribbon shape.

Heilbron has no railway connection with surrounding towns at present. The section of the line between Heilbron and Sasolburg, through Wolwehoek station, has been decommissioned and removed. The station is being used for storage.

The main railway line between Sasolburg and Kroonstad – a railway line of national significance between Gauteng and Bloemfontein, stretches through the urban area. The Koppies station is located directly north of the CBD and is functioning at present (both goods & passengers).

The industrial area of Vredefort used to be serviced by means of a siding, also servicing Parys, and linked with the main railway line at the Dover station. The siding is, however, no longer operational.

- Revitalisation of the Parys station possible, especially considering the “Steel City” initiative.
- Possibilities exist for an industrial railway siding into industrial area.
- The Parys station building is in a derelict state and revitalisation thereof, with possible tourism related amenities, could be considered
- Anticipated coal mining in the region substantiates the strategic importance of the line. As coal mining will, in the foreseeable future commence in the region, the railway line and station may gain stature and is deemed of economic importance for the town.
- The industrial area is no longer serviced by means of the former siding
- The station building is leased from Transnet and utilised for business activities.
- Future coal mining, further south, may see revitalisation of the siding, transporting coal.

Regional Infrastructure Service Provision

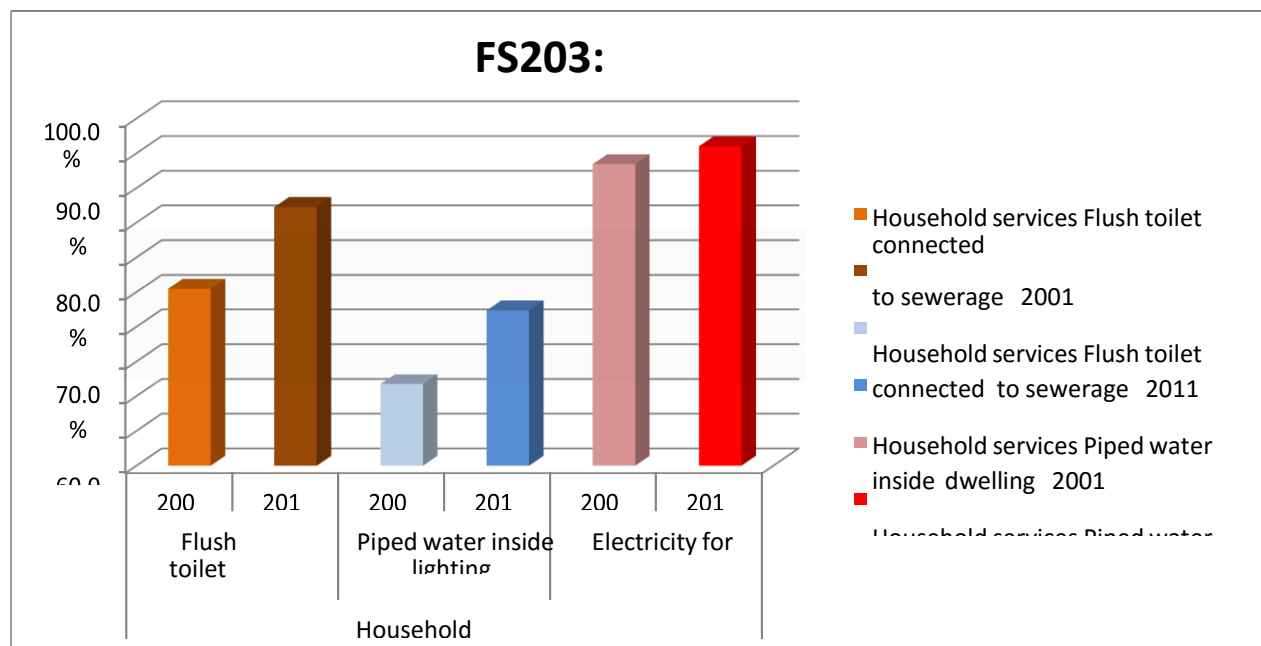
The ensuing figure illustrates that gradual improvement in service delivery occurred the past 10 years. The specific level of services addressed is, however, a high level of service provision. As RDP standards are much lower, it follows that higher levels of services provision have since been obtained, especially in so far as the eradication of backlogs is concerned.

In the Fezile Dabi District Municipality (FDDM) 78.2% of households comprise a flush toilet, connected to sewerage. Moqhaka Local Municipality has higher provision levels (85.6%), followed by Mafube where 77,7% comprise a flush toilet, connected to sewerage. In the Ngwathe and Metsimaholo Municipality, 74.5 % and 74% of households comprise a flush toilet, connected to sewerage, respectively.

In the Fezile Dabi District Municipality (FDDM) 56.7% of households receive piped water inside dwellings. Metsimaholo Local Municipality has higher provision levels (71.7%), followed by the Moqhaka and Ngwathe Local Municipalities where 57,7% and 44.7% of households receive piped water inside dwellings, respectively. In the Mafube Municipality 39.8% of households receive piped water inside dwellings.

In the Fezile Dabi District Municipality (FDDM) 89.8% of households have access to electricity for lighting. Moqhaka Local Municipality has higher provision levels (93.3%), followed by the Ngwathe Municipality where 92% of households have access to electricity for lighting. In the Metsimaholo and Mafube Municipality, 86.4% and 84.4% of households have access to electricity for lighting.

Figure 15: Ngwathe Regional Perspective: Level of Service Provision



(Source: Census 2011)

Road and Access Requirements

Roads in the rural areas are the jurisdiction of the Provincial Government (Department of Public Works, Roads and Transport) who is also responsible for maintenance and upgrading. It was calculated that 77% (1 298km) of the primary and secondary roads in the region are tarred and the remaining 23% (379km) are gravel. The figures exclude the vast number of tertiary gravel roads serving the farming community in the region. Sections of certain tertiary roads, parallel to the Vaal River and were identified as significant in view of their scenic nature and tourist potential. The major provincial road network is generally tarred and provides sufficient accessibility within the region. However, the deteriorating condition of particularly tarred roads, as a result of irregular maintenance, is a tangible concern. Studying the major road network will indicate that primary arterials, both from a national and provincial perspective, run through the region and thus also play a significant role with regard to development.

North West Province and KwaZulu-Natal Corridor:

The strategic location of Parys as an important link between North West and the Free State Provinces, necessitates further long term road planning that is closely related to the need for a link from KwaZulu-Natal to the North West Province. An overall view, therefore, indicate that a need exists for a direct route between North West Province (adjacent to Botswana) and KwaZulu-Natal (harbour opportunity). The construction of a tarred road between the Vaal River and Heilbron will complete one of the missing links in the route. Parys is thus directly concerned and will somehow have to be incorporated in any long-term road strategy. Although various proposals have already been made with regard to the above-mentioned, it is clear that the community of Parys, in so far as it concerns the short to medium term, considers a bypass route in a negative way. It is preferred that the traffic should pass through the town at least for the short term. The significance of the corridor should also be reviewed in terms of the Maputo Corridor that has of late emphasised other harbour opportunities

STATUS QUO	FUTURE DEVELOPMENT FRAMEWORK
<p>Roads in the rural areas are the jurisdiction of the Provincial Government (Department of Public Works, Roads and Transport) who is also responsible for maintenance and upgrading.</p> <p>The major provincial road network is generally tarred and provides sufficient accessibility within the region. However, the deteriorating condition of particularly tarred roads, as a result of irregular maintenance, is a tangible concern. Studying the major road network will indicate that primary arterials, both from a national and provincial perspective, run through the region and thus also plays a significant role with regard to development.</p> <p>The well-developed character of the region is a direct result of it being serviced by means of a strategically important road network. The most significant of these arterials are identified as the:</p> <p>N1: National road linking the area with Gauteng and central Free State. R59: Linking Sasolburg, Parys and Viljoenskroon / Orkney to the North West Province.</p>	<p>The existing national and primary road networks provide effective access in the study area. A well maintained road network is imperative to stimulate development and to ensure effective access and linkage in the district.</p> <p>The deteriorating condition of tar and gravel roads, as a result of irregular maintenance, is a tangible concern in the area. All the gravel secondary roads are specifically in a deteriorating condition and have been identified for upgrading. Roads on which Hazardous Chemicals are currently being transported:</p> <ul style="list-style-type: none"> • R59 : Sasolburg Parys Potchefstroom • R716 : Sasolburg Deneyville Villiers KwaZulu-Natal • R57 & 34: Sasolburg; Heilbron, Frankfort • N1 : Sasolburg □Kroonstad □Bloemfontein • N1 & R34 : Sasolburg □Kroonstad □Welkom <p>The Directorate of Roads Planning prepared a bridge emergency plan which provided emergency and alternative routes, should bridges be washed away during flood periods</p>

Table 22: Future Urban & Regional Road Requirements: Ngwathe Region

<u>Region</u>	<u>Road Requirements</u>	<u>Access Requirements</u>
Regional Road Network and Future Access Requirements - Cross Cutting Issues: <ul style="list-style-type: none"> ▪ The deteriorating condition of gravel roads, as a result of irregular maintenance, is a tangible concern in the area ▪ Gravel roads, linking urban areas, ensuring administrative linking, is in a dilapidated and unsafe condition, contributing to the difficulties of integrating the Municipality. 		

<u>Region</u>	<u>Road Requirements</u>	<u>Access Requirements</u>
Parys	<ul style="list-style-type: none"> ▪ R59: Continuous upgrading of the former N1 route (now R59) through the CBD ▪ R721: Completion of upgrading of Parys/ Kroonstad alternative road (for N1 toll road) ▪ R723 Upgrading of the gravel road between Parys and Heilbron. 	<ul style="list-style-type: none"> ▪ A1: Access to the Parys/ Sasolburg road (through the exiting grazing camp system, F1) to accommodate long term developments further northeast, also allowing for the Steel City initiative and linking with a major collector road in Tumahole (A2) providing access to Mandela, Lusaka & Sisulu precincts and long term residential developments, further eastward (R10). • A3: Timely construction of a new access route through Oudewerfpark to Tumahole, to ensure appropriated accessibility the northern precincts and town centre of Tumahole. • A4: Long-term future access is foreseen on the Parys/ Vredefort road (opposite the existing access to the Vaal De Grace golf estate and Island 13 (R12) wildlife estate; especially should urban extensions occur further westward.

<p>Heilbron</p>	<ul style="list-style-type: none"> • R34: Completion of upgrade of the Heilbron • /Frankfort Road. • Upgrading of the gravel road between Heilbron and Koppies also improving access to Koppies Dam Nature Reserve and newly established Koppies Dam Resort. 	<p><i>Phiritona is exceedingly isolated with limited access onto the provincial road network and access to the Heilbron urban area. Phiritona is inaccessible during flooding of the Eland Spruit (A6).</i></p> <ul style="list-style-type: none"> • A1, A2 and A3: Access to Heilbron via the three existing access roads is adequate. • A4 & A7: Additional collector roads are required to provide access to the previous extensions of Phiritona. • A5: New access points proposed on the Oranjeville Road to provides adequate access to the eastern extensions of Phiritona • A6: Imperative upgrading of the existing access between Phiritona and the
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Region	Road Requirements	Access Requirements
		<p>Urban collector roads and increase accessibility to Phiritona.</p> <p>A9: Long term extension north-eastward will necessitate new accesses onto the Moedersdeel Road.</p>
Koppies	<ul style="list-style-type: none"> ▪ R82: Imperative upgrading of the Koppies/ Kroonstad alternative road (for N1 toll road) ▪ Upgrading of the gravel road between Heilbron and Koppies also improving access to Koppies Dam Nature Reserve and newly established Koppies Dam Resort. ▪ Upgrading of sections of the present access road from Koppies to the Koppies Dam Nature Reserve and 	<p><i>Kwakwatsi is exceedingly isolated with limited access onto the provincial road network and access to the Koppies urban area</i></p> <ul style="list-style-type: none"> • A4: An additional access road to the western portions of Kwakwatsi (onto Station Street) will improve accessibility • A5: Current proposed urban extension south-eastward will necessitate a new access onto the Koppies Dam Road
Vredefort	<ul style="list-style-type: none"> ▪ R59: Continuous upgrading of the former N1 route through the CBD. ▪ R721: Completion of upgrading of Vredefort/ Kroonstad alternative road (for N1 toll road). 	<ul style="list-style-type: none"> ▪ A1: A weak business corridor (Oranje Street east) main access and on route to Mokwallo / Vredeshoop must be enhanced. ▪ A2: A proper well-constructed access from the Greenland's Road to the Thambo and Mapetla precincts is deemed a priority. ▪ A3: Planning of the southern precincts of Mokwallo allowed for a direct link (crossing the Dover siding) to the existing main access road to Mokwallo. ▪ A4 & A5: Additional and a more direct access from the Vredefort/ Parys road is proposed to the industrial


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<u>Region</u>	<u>Road Requirements</u>	<u>Access Requirements</u>
		<p>direct access to Vredeshoop, Mokwallo and cemetery.</p> <ul style="list-style-type: none"> ▪ A6: Long term extension further north will necessitate a new access onto the Vredefort/ Viljoenskroon Road.
Edenville	<ul style="list-style-type: none"> • R34: Apart from the main road between Heilbron and Kroonstad, dividing the precinct of Ngwathe and Edenville, there are no major road requirements. • R720: Upgrading of the gravel road between Heilbron and Koppies • A1, A2: There are two access roads to Edenville from the Kroonstad/ Heilbron Road. One access road is across the Ngwathe access road and the other access across the Heuning Spruit Road. The above-mentioned secondary roads to Steynsrus and Petrus Steyn, directly link to Edenville. • A3: Only one access road exists to Ngwathe from the Kroonstad/ Heilbron Road. • A4: An additional access to Ngwathe will improve accessibility from the major road network, specifically with the residential extension to the south of Ngwathe. • A5: Existing informal accesses from the Heuning Spruit Road is proposed to be formalised, also allowing direct access to the proposed new cemetery. • A6: Long- term extension further north will likely necessitate a new access onto the Edenville/ Heilbron Road. 	

SECTION D: THE NEEDS OF OUR STAKEHOLDERS

COMMUNITY NEEDS

Community needs (per Ward) and challenges were taken and captured from the wards where consultations were successfully conducted, as reflected on the tables below in

WARD 1	COMMUNITY NEEDS
	Bridge between Sandersville and S Section
	Residential Sites
	Completion of RDP Houses
	Recreational Parks
	Repair of Roads
	Prepaid Meters/
	Electricity
	Clinic
	Cleaning of Graveyard
	Title deeds
	Road Signs and Speed Humps
	Primary School
	SASSA Point
	Refuse dustbins
	Land for Agricultural Purposes
<p>COUNCILOR A MATROOS</p>	Naming and renaming of streets
	Bridge in Sandersville - internally funded for this FY
	Upgrading of Sports Facilities

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WARD 2



COUNCILOR P NDAYI

COMMUNITY NEEDS

EPWP's and CWPs
Long Term Projects, e.g. PPP
Paving, Gravelling and Tarring of Roads
Recreational Parks
Allocation of Sites and Title Deeds
Storm Water Drainage System
Community College
Indoor Sports Centre
Incomplete RDP Houses
Speed Humps
Financial Assistance of Cooperatives
Fencing of cemeteries in ward

WARD 3



COUNCILOR M MOFOKENG

COMMUNITY NEEDS

Technical School
Paving, Gravelling and Tarring of Roads
Land and Sites
Recreational Parks
Socio-economic development (Projects, e.g. CDP)
Projects
Repair and Increase of High Mast Lights
Sizabantu Clinic to be fully staffed
Centre for Old-Aged people
Maintenance of Infrastructure (Drainage System)
Title Deeds

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WARD 4



COUNCILOR S NTEO

COMMUNITY NEEDS

Paving, Gravelling and Tarring of Roads
Access to more electricity vending points, including at schools
SMMEs
Residential Sites
Stadium
Maintenance of Graveyards
FET College
Return of EPWP Projects
Title Deeds
Allocation of Commonages and Grazing Camps
Community Crèche
SASSA Point
Cleaning of Sports Grounds
Removal of Dumping sites
Repair of High Mast Lights
Mobile police Station
Bursaries
Application of RDP Houses

WARD 5





COUNCILOR M RAPULENG

COMMUNITY NEEDS

Primary and Secondary Schools
Housing Sites
Clinic
SASSA offices
Police Station
Recreational Park
Title Deeds
Gravelling of Roads
Removal of illegal dumping Sites

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<p style="text-align: center;">WARD 6</p> <div style="text-align: center;">  <p>COUNCILOR M MAGASHULE</p> </div>	<p style="text-align: center;">COMMUNITY NEEDS</p> <p>Water to be purified</p> <p>Graveling of roads</p> <p>Additional Nurses – Mandela clinic</p> <p>Illegal dumping (Mandela clinic)</p> <p>Replacement of Electricity boxes</p> <p>Replacement of Old Water meters</p> <p>Purchasing of Electricity transformer</p> <p>Food parcels for the poor</p> <p>Building of medium bridge between Mandela & Lusaka, Mandela & Metampelong</p> <p>Vending Station</p> <p>Construction of V-drain</p> <p>Toilets -</p>
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<p style="text-align: center;">WARD 7</p> <div style="text-align: center;">  <p>COUNCILOR M GOBIDOLO</p> </div>	<p style="text-align: center;">COMMUNITY NEEDS</p> <ol style="list-style-type: none"> 1. Allocation of Residential Sites 2. Quality and Quantity of Water 3. Bridge near Pump station (Zuma & Winnie) 4. Bridge behind Barnard School 5. Title deeds – speed up 6. Speed humps 7. Paving of Roads (gravelling) 8. Vending Station 9. Water Challenges – Maintenance of Jojo Tanks 10. Recreational Facilities 11. Dumping Site be fenced 12. Commonage (stray animals all over) 13. Job Creation/ Unemployment 14. Clinic (long ques/poor services) 15. Library 16. Open Space turned into park 17. Solar Geysers 18. Operating hours – Lista Skosan Library 19. 50 Kilos (electricity) for the Indigents 20. Distribution of dust bins – Zuma Section
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WARD 8



COUNCILOR S KGANTSE

COMMUNITY NEEDS

- | |
|---|
| Clinic in Mokwallo |
| Police Station |
| Construction of crèche |
| Upgrading of Mokwallo Municipal office with full services |
| 24/7 Clinic and Ambulance Service |
| Paving and Taring and gravelling of Roads/Speed humps |
| Construction of centre of abused children |
| Extension and Erection of Cemeteries (land identified) |
| Sites Allocation |
| Construction of Low Level Bridge |
| Taxi Rank in Vredefort |
| Construction of Swimming Pool |
| SMME's support form Municipality (Financial, Skills Development etc.) |
| Job Creation form the municipality |
| Construction of V-Drain/ Water Channel W8 & 14 |
| Construction of Shopping Complex/Mall |
| Road signs marking (e.g. Stop signs) |
| Electricity upgrade plus more vending points |
| Old reservoir, boreholes to deal with both quality and shortage |
| Equipment to deal with road maintenance |
| Replacement of asbestos pipes |
| Change of ownership |

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WARD 9



COUNCILOR M MBELE

COMMUNITY NEEDS

Quality of Water/Shortage of Water (Vuka & Lusaka)
Removal of Big Stones/Boulders
Paving of Roads
Water locked areas (Lusaka & Metampelong)
Free Electricity subsidy
Fencing of Power station in Lusaka
Removal of dumping
Youth empowerment
Sites
By – Law Enforcers
Replacement of Water Meters
Graveling of Roads

WARD 10




COUNCILOR M MOFOKENG

COMMUNITY NEEDS

Quality of Water
Emerging small business be given some work (LED Manager to be present in the Community Meeting
Road signs to Avoid accidents/Gravelling of Roads
1 Additional high mast light (Zone 6)
Fencing (Tumahole Hostel)
Installation of split meters to address metering defaults/incorrect billing etc.
Job creation
Solar geezers
Paving of streets
Street Humps
Safety at night- Lights in passages
Tittle deeds/Change of ownership
Incomplete RDP houses
Fencing of Skotiphola Park
Cleaning of dumping sites
ECD Sites/allocation of sites
Water storms drainage system (Jackpot)
Address drainage capacity in Mabe & Mochologi street (next to Moeti)
By-law enforcers

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WARD 11	COMMUNITY NEEDS
<p><i>Photo not available</i></p>	1. Allocation of sites
	2. Removal of dumping
	3. Distribution of title deeds
	4. Street humps
	5. Building of Youth centre
	6. Paving of streets
	7. Quality of drinking water
	8. Sewer leakage to be attended to
	9. Refuse removal
	10. Initiate cleaning campaigns
	11. Incomplete RDP Houses
	12. Shortage of water (Ghana & Sisulu)
COUNCILOR J MABENA	

WARD 12 (AME- PARYS TOWN HALL)	COMMUNITY NEEDS
	1. Water supply Replacement of broken pipe valves Replacement of asbestos piping Installation of pressure relieve valves at critical points
	2. Sewage system Rectify sewer problem at 29 Caleni Street
	3. Electrical supply & streetlights Refurbishment of electrical transformers Fencing of Transformers and sub - stations
	4. Irrigation supply Refurbishing of irrigation channel system, cleaning of canal on regular basis Repairing of broken ramps over irrigation channels Replacing of broken slabs over main channel on the pavements
	5. Road maintenance and Traffic Four way stop Municipal offices – Speed humps Repairing of all potholes throughout Ngwathe Small furrow near Magasyn when it rains, water Caleni and Loate street, Installation of robots
	6. Cemeteries - Ensuring all cemeteries are enclosed properly
	7. Parks and Public Areas Waste bins are present throughout all public areas and parks in Ngwathe.
	8. Equipment – Look at all municipal tools and equipment
	10. New Clinic
Councilor S DE JAGER	

WARD 13



COUNCILOR H FIELAND

COMMUNITY NEEDS

Aha - Setjhaba	Schonkenville
Improved clean and running water	Residential sites
Residential sites	Paving of roads
Removal of dumping's	Recreational parks
Multipurpose Centre	Electricity outlet/Vending
Youth Centre	Police station
Street lights	Old age home
Parks	Street humps
Fixing of broken toilets(indigent HH)	Incomplete RDP houses
Faulty solar geysers	Crèche
Access to buy electricity from Eskom	
Improved clean and running water	
Residential sites	
Removal of Big stones	
Speed humps	
Change of Ownership	
Renaming of Street name (Renaming)	

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WARD 14



COUNCILOR R MEHLO

COMMUNITY NEEDS

Sites and RDP houses

Water shortage and Storm water drainage
Provision of Electricity(Mandela section)

Pavement/Gravelling of roads

Community Hall

Satellite office – SASSA and Home Affairs

24 hour Permanent Ambulance and Fire

Renovation of Mokwallo Beer Hall for alternative use

Creation of Park next to Thola Cemetery
Speed humps

WARD 15



COUNCILOR M MOFOKENG

COMMUNITY NEEDS

R.D.P Houses

Installation of Electricity Vending

Clean water

Police Station

Multipurpose Hall

Construction of V-Drains or Water Channels

Construction of Clinic

Roads (Paving and Tar)

Continues graveling of gravel roads

Allocation of Sites

Job Creation

Support SMME's

24/7 Permanent Ambulance Service

Removal of Big Rocks

R.D.P Houses

Title Deeds

Installation of Electricity Vending

Split meters

Dumping site

Refuse bins

Land to Commonages

New Clinic

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WARD 16



COUNCILOR L SOTSHIVA

COMMUNITY NEEDS

Emergency services (fire-fighting unit) Vehicle
Allocation of sites/ Title deeds
Clinic with proper staffing
Name & renaming of streets/ward/
Upgrading of Reservoir
Access to Electricity Vending station
Paving of roads with proper storm water channels
Old age home/day care centre
Multipurpose centre
Sports facilities
Satellite police station
Library
Naming and renaming of streets

WARD 17




COUNCILOR M TAJE

COMMUNITY NEEDS

Upgrading of Sewer
Water purification plants
Paving of roads
Renovation of old clinic
Stands/Sites
Multi-Purpose Centre

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WARD 18		COMMUNITY NEEDS
		Water provision
		Sites (500 sites)
		24HR health Services (Ambulance)
		Unemployment
		Community Hall
		Parks
		Sports Facility
		Roads
		Renovation of Municipal Offices
COUNCILOR M TOYI		

The table below summarizes the needs registered across all wards as communicated and captured during a number of ward public meetings held during the IDP review consultation process in April of 2018.

Table 23: The top 5 priorities registered across all wards in Ngwathe municipality

Priority Order	Priority registered # of times in wards
1. Roads/Paving	Priority registered in 18 wards of 18 Wards
2. Sites	Priority registered in 16 of 18 wards
3. Water	Priority registered in 12 of 18 wards
4. Title Deeds	Priority registered in 10 of 18 wards
5. Parks & Recreation	Priority registered in 9 of 18 wards
	Total number of priorities registered across all wards

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Table 24: List of Priorities per ward

Priority	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5	Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Ward 11	Ward 12	Ward 13	Ward 14	Ward 15	Ward 16	Ward 17	Ward 18	Total
Roads/Paving	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	18
Sites	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	16
Water						✓	✓		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	12
Title Deeds	✓	✓	✓	✓	✓		✓			✓	✓				✓	✓		✓	10
Parks & Recreation	✓	✓	✓	✓	✓		✓			✓	✓				✓	✓			9
RDP Houses	✓	✓		✓						✓	✓		✓	✓	✓				8
Refuse Removal/Refuse dustbins	✓						✓				✓				✓				4
Cleaning of Graveyards	✓			✓	✓							✓							4
Electricity – Vending Stations	✓			✓		✓	✓	✓					✓		✓	✓			8
Removal of Dumping sites/Illegal dumping				✓	✓	✓			✓	✓	✓		✓		✓				8
Job Opportunities/Creations		✓	✓				✓	✓	✓	✓					✓			✓	8
Street Humps	✓	✓					✓			✓	✓		✓	✓					7
Construction of V - drain		✓	✓			✓		✓		✓					✓				6
Change of ownership								✓		✓			✓						3
Multi-Purpose center/Sports facilities	✓	✓	✓				✓						✓		✓	✓	✓		8
Clinic renovations/New Clinic	✓	✓			✓		✓	✓				✓			✓		✓		8
Commonage	✓	✓					✓												3
SMME's Support				✓			✓			✓					✓				4
By Law Enforcement									✓	✓									2
FET College	✓	✓		✓															3
24hr Ambulance service	✓	✓		✓				✓						✓	✓			✓	7
HIGHEST PRIORITISED NEEDS PER WARD	14	13	7	10	7	5	13	8	6	12	8	5	10	7	14	6	5	6	156

Referring to the results shown above flowing from public and stakeholder engagements revolved around the following issues;

- Basic services and Infrastructure, with the main issues being maintenance of current infrastructure, lack of basic services in certain areas, lack of quality drinking water, water outages, electricity outages, pot-hole ridden roads, increase in dumping sites, no scheduled cleaning of open spaces
- Housing and sites. Inadequate response to growing demand for housing and/or sites to build housing. The issuing of Title Deeds
- Economic development and employment opportunities. Greater collaboration between council and business to stimulate economic development, development of arts and culture to preserve and develop Ngwathe heritage and culture. Renewal of Central Business Districts

Other issues mentioned include; development of Sports and recreation, youth needs must be prioritised, disabled-friendly public facilities, development of parks and recreational spaces.

The different array of needs communicated at the scheduled different forums indicate that improved work must be done on the formalisation of different sectors, specifically around sector organisation, business forum structures and Formalised IDP Representative structure. The development of ward plans must be actioned and supported to create better structured communities across different wards and towns.

The high rate and number of theft of municipal property, electricity, illegal connections call for wider consultation with community on service delivery intervention methods to stimulate greater efficiency and effectiveness.

Ngwathe must focus on its mandate as reflected in the constitution, hence the review of strategic objectives must be properly initiated and structured along the national and provincial key performance areas, build greater partnerships with provincial and national departments to promote inter-governmental relations in benefit of the Ngwathe and provincial community.

SECTION E

DEVELOPMENT STRATEGIES – STRATEGIC FRAMEWORK

STRATEGY AND PERFORMANCE MANAGEMENT

INTRODUCTION

The strategy as set out below summarised the IDP process that NLM were involved with since the inception of the Five Year IDP in 2017. It furthermore incorporates the new organisational performance management system that emanates from recent process.

With regard to minimum requirements of credible IDP as set out in IDP Guidelines, this chapter covers the following:

- Planning process
- Current Situation
- Development Strategies at executive level

The work done through the process during last year resulted in municipality having following in place:

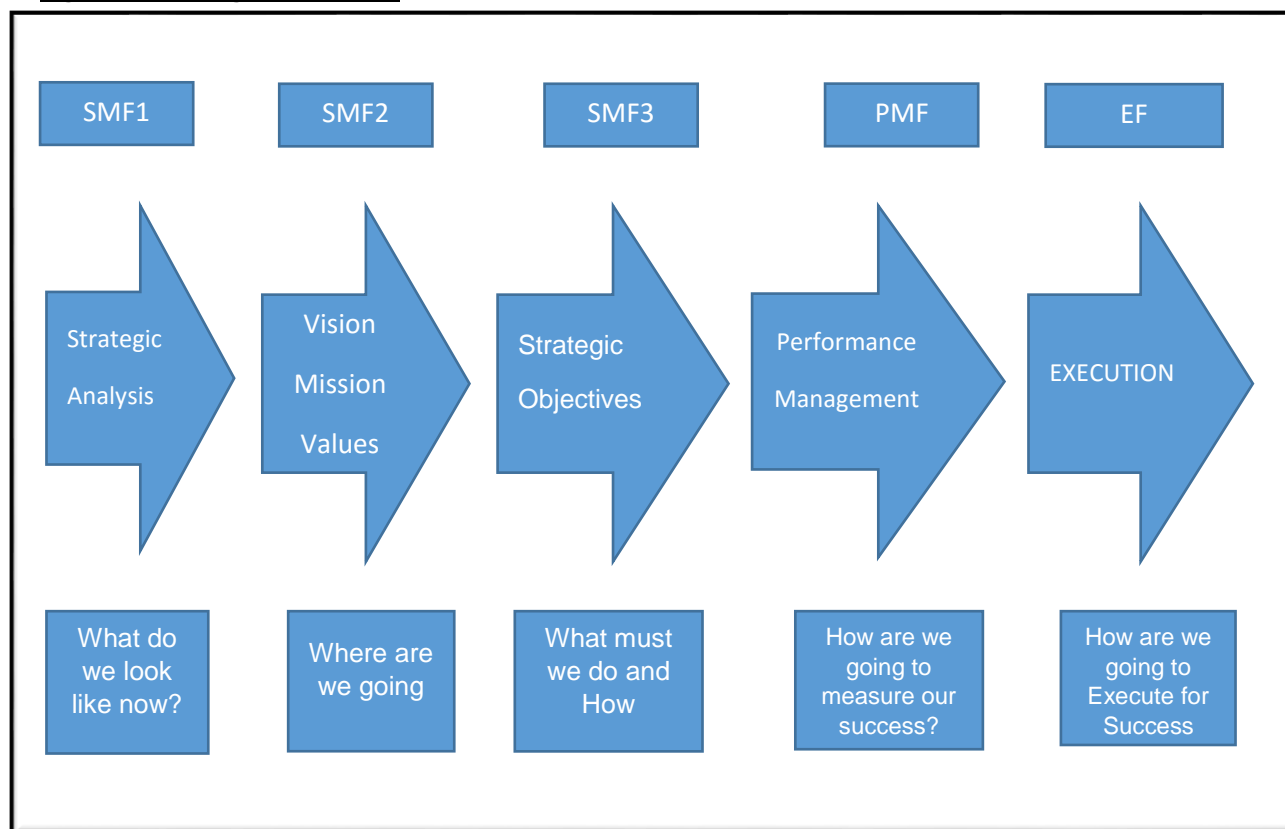
- Organisational structure aligned with IDP and strategy
- SDBIP for each directorate, to include indicators at section levels
- Integrated PMS to include divisions and team levels
- Performance contracts for Directors aligned to IDP and Strategy
- Individual performance management system, aligned to IDP and strategy through Balanced Scorecard approach.

THE PROCESS

The strategic management/IDP process that Council and Officials followed was structured to take them through a logical strategic thought process. It covered both the external and internal environments and looked at the past present and future. It addressed all stakeholders and focused on meeting the needs of the NLM's various stakeholders by integrating the results of the previous IDP process and their current needs. The output is a document that does not only cover high-level strategic objectives, but also identifies the strategies and actions that need to be performed at the strategic, managerial and the operational levels. It gives senior and lower level managers a clear indication of what has to be accomplished to successfully achieve the organisations vision and mission.

The IDP covers all strategic activities and the SDBIPs the operational activities.

Figure 16: Strategic Framework



Scope of strategic Process Followed

To ensure that execution will take place in a well-structured format, a comprehensive project plan that includes strategies, actions, priorities and responsibilities, is a formal output of this process (**As now initiated with introduction of Performance Improvement Plan**). Furthermore, so as to ensure a balanced approach - focussing on the needs of all stakeholders - the process is based on the Balanced Scorecard methodology. A Balanced Scorecard, Strategic Objectives and Strategy Maps are therefore key outputs of the process.

The process is depicted in Figure 13 (*above*). The first three phases cover the Strategic Management Framework (SMF) and the fourth phase is the start of the Performance Management Framework (PMF). The fifth phase covers the Execution Framework (EF). **Phase 1** defines the current reality; it answers the question: “*What do we look like now?*” **Phase 2** focuses on the crafting of a vision, mission and establishing a value system for the municipality thereby defining the desired future. The goals and core strategy finalised during **Phase 3**, are based on the outcome of the analysis, and the future path indicated by the vision, mission, and values. They are organisation specific and indicate how the future is going to be realised. **Phase 4** will establish how well the strategy is being performed and **Phase 5** covers the execution of the strategy – the actual work and measurement of success.

A final very important aspect of the process is that it covers all the levels within the organisation as depicted in Figure ...(*below*). It follows a collaborative and integrated holistic approach focussing on results - “*From*

Strategy to Performance". Performance being associated with the lowest level – the individual – the only available resource that can realise execution.

An initiative to link the individual performance management system to the organisational performance management system is now being processed. The performance contracts of all Section 57 Managers will now be linked to the process with contracts for all managers to be initiated at the start of the 2018/2019 financial year.

THE CURRENT REALITY

External Environment

The strategic process was initiated with a strategic analysis exercise covering both the external and internal environments. An evaluation of the economic, social, regulatory, citizenship and technological factors that may have an influence on the municipality started off the process. The purpose of this exercise was to identify the opportunities and threats in the external environment and the internal strengths and weaknesses of Ngwathe municipality. The following opportunities and threats listed in order of priority, were identified.

Table 25: SWOT ANALYSIS

Strengths	Weaknesses
Political stability Location of municipality Land for Economic Development Equitable Share from National Government Community Supporting the Municipality Tourism for Economic Development Offices /Hospital	Institutional Capacity Poor Infrastructure Old apartheid Human settlement Poor Communication within the organization Wrong Placement Lack of implementation of Council Resolution
Opportunities	Threats
Economic Opportunities Bed and Breakfast facilities Restaurants Power boat Dome in Vredefort Madeira Flower Festival Recreation Facilities / Boating / Mimosa Aviation EXPO / Parys Airport Koppies Dam / Heilbron	Eskom Account – from external point of view Ageing Infrastructure (E.g. Old Water pipes Pipe-bursts) Population Growth (E.g. all town population growth Increasing risk of crime amidst limited employment High rate of Unemployment, increased rate of indigents Flooding – E.g. some of the places in Koppies were

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Conference Centres / Across the municipality	flooded as a results of rains
Vaal River	Crime – E.g. a number of cable thefts cases
Mines	reported to-date – Execution Gaps
De Beers	Drug Abuse
Bentonite	Social Problems – Informal Settlement (It is
PV Power Generation	mushrooming in our towns, the increasing number
Agriculture	of street kids in our towns)
Agri-park	Poor Management of Assets
Manufacturing (More opportunities available)	
Clover	
Simba	
Refrigeration	
Telwerde - Cattle feed	
Sernick - Maize	
Fluit - Boots	
Land	
Industrial Sites and buildings	
Commonages land	
Airport as opportunity Game farming	
Zoo	
Abattoirs	

MUNICIPAL ENVIRONMENT

Challenges

A number of challenges particular to the local government environment exist, of those challenges include the more relevant in terms of Ngwathe, of which include Internal, used as input to the internal analysis where actions identified may improve the situation, which could lead to improved service delivery.

The following are regarded as the most threatening challenges of greater influence on the future standing / existence of Ngwathe;

1. Lack of visionary leadership
2. Lack of capacity
3. Lack of work ethics
4. Lack of structure departmental planning
5. Low productivity
6. Limited revenue collection
7. Lack of performance management culture

8. No accountability and responsibility
9. Lack of appointments and inefficient use of available skills
10. Lack of pride

Looking at the above, a deduction can be made that if the first five priority issues are to be addressed, the rest will also be addressed. Reasons and actions were identified for each of the subjects and are contained in the Performance Improvement Plans of departments.

VALUE PROPOSITION – ARE WE MEETING OUR STAKEHOLDER NEEDS?

Stakeholder

A brainstorming session with managers identified needs and value proposition of Ngwathe stakeholders, to assess our ability to respond to our general mandate. The response was not scientifically tested, though a sufficient indication could inform a reasonable deduction which informed the SEP/PIP.

At both council and administration level shows lack of urgency and understanding of the operational conditions and challenges facing Ngwathe, lack of accountability, hidden political and private agendas and political interference. Poor communication, slow decision-making, lack of work ethics and poor execution contributes to lack of understanding.

With no standards set on what is required by various stakeholder groups, low ratings for value proposition can be associated to;

- Accountability
- Consistency

INTERNAL ANALYSIS

The internal analysis consists of results from workshops/work sessions held during 2016/17 and the Auditor General audit opinion for the year;

- Root causes analysis for poor performance 2017
- DG IDP Assessment results 2016 and 2017
- AG Audit Opinion 2016/17

Root Cause Analysis for Poor Performance

The analysis done during the Mid-Term organisational performance, The Annual Performance Report for 2016/17 necessitated the need to understand the reasons / root causes for poor performance and to identify appropriate actions that are needed to address the adverse/qualification issues.

The main cause of non/poor performance is a lack of resources – financial, human, equipment and facilities. The reasons/causes include age/inefficiency/ineffectiveness of current equipment and infrastructure, supply chain issues, employee morale, discipline and wellness, leadership and management issues. The top root causes make up more than 90% of reasons given for poor performance.

Addressing from directorate perspective the main reasons per directorate are (as informed by PIP):

Technical Services

- Lack of Planning Tools
- Lack of resources
- Aged and inefficient/ineffective infrastructure
- Supply chain
- Maintenance
- ICT

Community Services

- Lack of Planning Tools
- Lack of resources
- Process Issues
- Training/skilled staff
- ICT

Financial Services

- Process Issues
- Work quality
- Resources

Corporate Services

- Lack of planning tools
- Employee morale, discipline and wellness
- Lack of resources
- Poor leadership and management
- Training and development

The AG Audit Opinion

The following summarises the AG Report to Provincial Parliament on financial statements and performance information of the municipality for the year ended 2017. Ngwathe municipality received a Qualified audit report for this period. The audited highlighted the following issues which will be briefly covered – the comprehensive report is on the municipality website:

- Material losses
- Irregular expenditure
- Non-compliance in terms of regulations

Material Losses

Include summary hereof from report.

Irregular expenditure

Include summary hereof from report.

Financial Management Issues Raised

Restatement of corresponding figures

Non-compliance with applicable legislation

The following issues of non-compliance have been identified during the course of the audit:

MFMA:

SCM Regulations:

Key Governance responsibilities:

Report and findings on Performance Information

Non-compliance with section 52 (d), section 46, non-approval of SDBIP

Our Ideal Future

Figure below depicts the shared vision, mission and value statements, which were adopted by Council and subsequently displayed in most official spaces and documents of council since adoption of 2017/2022 IDP. This provides as foundation for all future strategies and the execution plan.

VISION	MISSION
TO PROVIDE EXCELLENT AND SUSTAINABLE MUNICIPAL SERVICES	TO PROVIDE QUALITY SUSTAINABLE SERVICES IN AN EFFICIENT, EFFECTIVE & ECONOMIC MANNER TO ALL COMMUNITIES THROUGH THE PROMOTION OF COMMUNITY PARTICIPATION, GOOD GOVERNANCE & IMPROVED INTER-GOVERNMENTAL VALUES

The mission statement addresses the customers, the environment and the service. It also states clearly how the frequency in quality of services are going to be provided to the people of Ngwathe. The emphasis of community participation a key component of good accountable government provides for greater responsible government, both politically and administratively.

CORE VALUES

The value statement is people centered, aimed at instilling a culture of openness quality and satisfactory service provision. The value statement also directs focus towards pride both inside and outside the institutional environment, with emphasis on learning, development and growth within the jurisdictional area as well as the broader province and country.

The urgency to reach our set objectives in a democratic manner and transparent manner affords all residents opportunity to access public information that are to add value to the development of our community. The figure below list the institution values, including a brief description of each value.

Figure 17: Ngwathe Municipality Values

Transparency: *We practice good governance, openness and strive to understand the needs of our community at all times.*

Commitment: *We are dedicated to the services we render to the community. We are committed to realise the objective of local government in South Africa.*

Accountability: *We respect and value our people and ensure that we are accountable and responsible on all aspects of our work*

Integrity: *We perform our work diligently with integrity and courage to ensure that our communities are able to trust and believe in us.*

Democracy. *We encourage adherence to the constitution of the country, by allowing everybody to exercise their rights.*

MAKING OUR FUTURE HAPPEN

To make our future happen, you have to manage the present and to do this effectively and efficiently measurement is required. It is an acknowledged fact that organisations cannot manage what they do not measure. Performance Management is a regulatory requirement that all local authorities have to abide by. The performance management system of Ngwathe local municipality is based on the Balance Scorecard methodology.

‘THE PROCESS

The strategic management IDP process that Council and Officials followed was structured to take them through a logical strategic thought process. It covered both the external and internal environments and looked at the past present and future. It addressed all stakeholders and focused on meeting the needs of the NLM's various stakeholders by integrating the results of the previous IDP process and their current needs. The output is a document that does not only cover high-level strategic objectives, but also identifies the strategies and actions that need to be performed at the strategic, managerial and the operational levels. It gives senior and lower level managers a clear indication of what has to be accomplished to successfully achieve the organisations vision and mission.

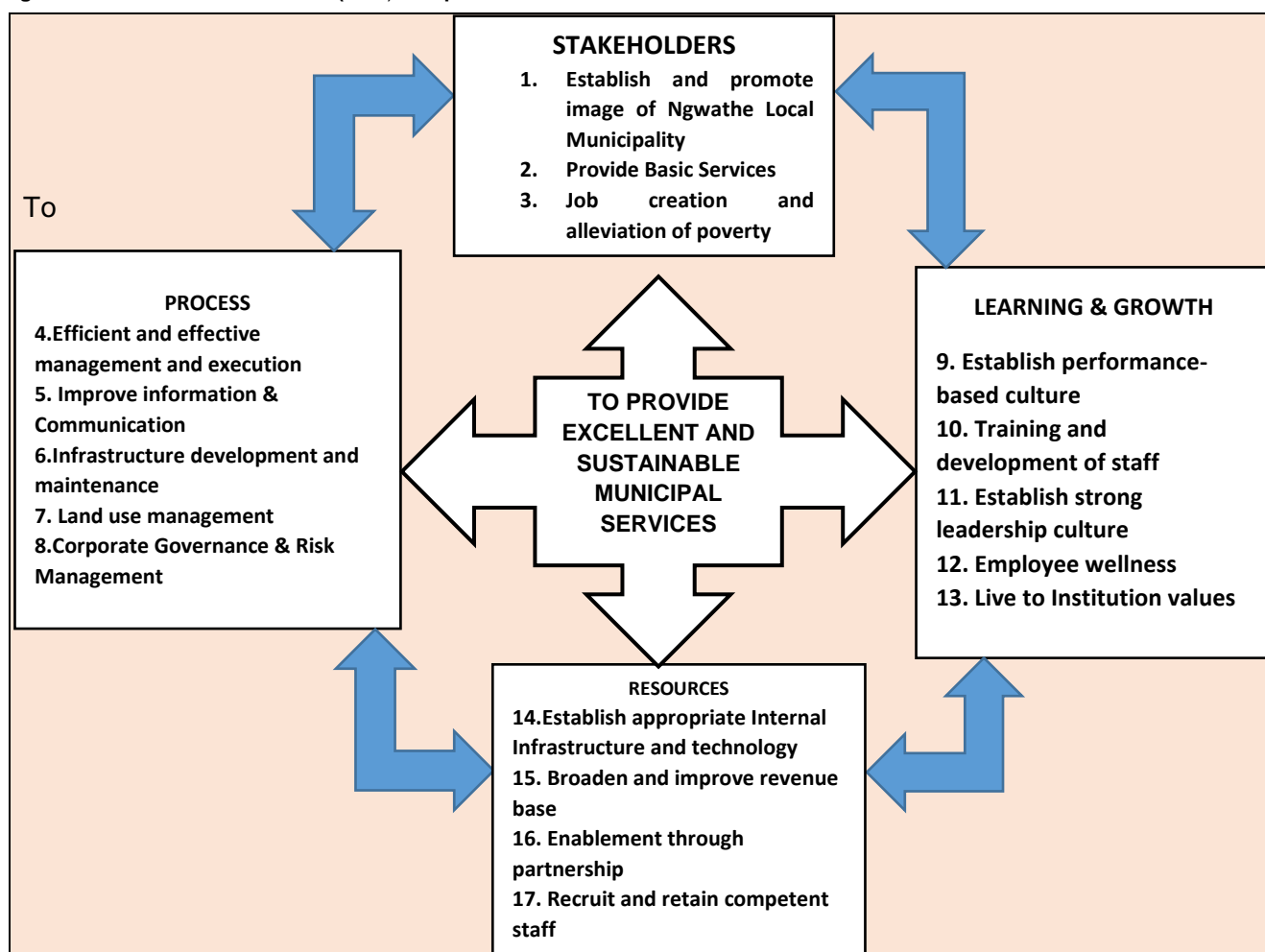
Balance Scorecard and Strategic Objectives

Based on the results of the external and internal analysis, and the future path as defined by the organisation's vision, mission and values, strategic objectives were identified and integrated into the Balanced Scorecard (BSC).

The BSC has four perspectives: Stakeholder, Process, Learning & Growth and Resources. The core focus of the BSC is on service delivery to stakeholders which is the **STAKEHOLDER** perspective at the top of the BSC. Eight strategic objectives address the stakeholders and it can be seen that they focus on: service delivery; economic development and job creation; safety, security and the environment; nation building; and, the image of the municipality.

The second perspective is the **PROCESS** perspective, which focuses on the internal business processes arrangements required to meet the needs of the stakeholders – the first eight objectives. There are five objectives resident in this perspective and they focus on efficient and effective service delivery, communication, infrastructure development and maintenance, corporate governance and land-use management.

Figure 18: The Balance Scorecard (BSC) Perspective



The **Learning and Growth** perspective establishes the culture of the municipality in terms of values, performance, employee education, employee wellness and leadership. These inter-relationship activities are critical for lasting success of any organisation.

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The final BSC perspective contains the **RESOURCES** required to ensure the successful execution of the municipality's objectives. In the context of Ngwathe municipality, it focusses on internal infrastructure, technology, improved revenue base, acquisition maintenance of competent staff and establishment of partnerships to assist municipalities to achieve its goals.

STRATEGY MAP

The strategy map shows relationships between various BSC perspectives, value proposition to customers and strategic objectives. The strategic objectives are superimposed on four perspectives of BSC creating a cause-and-effect relationship. The map shows links between various objectives and it is now possible to attach performance measures to each objective. To assist with the logic of structure, the Stakeholder perspective is all about delivery which is defined by the value-proposition to stakeholders. The internal business process perspective is all about efficient and effective execution which will result in delivery according to customer expectations. The learning and growth perspective looks at the development environment-ensuring the right culture with the right human resources and the ability to measure ofr effective management. The resources perspective shows enablement environment in terms of people, finances and technology.

STRATEGIC PILLARS

To ensure alignment to National objectives of local government as indicated in Chapter 7 of Constitution, Act 108 of 1996 Section 152 (1) strategic pillars MUST STILL be defined that will enhance our movement foci towards delivery. These pillars will enhance prioritising by management according to NEEDS of STAKEHOLDERS and align RESOURCES accordingly. The added advantage of executing strategy using these pillars is that it breaks down functional silos within the organisation, which is a HUGE challenge for Ngwathe municipality.

People, finances and all other resources can be aligned and it is possible to set up multifunctional "Strategic PILLAR Teams" that will be responsible to meet the objectives defined for each PILLAR. NLM will align its organisational and implementation structure accordingly.

The Strategy Execution Plan (SEP) contains all the PILLARS linked to strategic objectives, actions and Key Performance Indicators (KPI"s).

Table 26: NATIONAL OBJECTIVES & STRATEGIC OBJECTIVE RELATIONSHIP

NATIONAL OBJECTIVES	STRATEGIC OBJECTIVES
Provide basic services	To ensure that 100% of Households in formal settlements in the Ngwathe Municipal Area have area access to high water quality by 2022
To eliminate water losses and leakages	To eliminate water losses and leakages
To improve water Quality by improving on the Blue Drop and be able to provide safe drinking water to the community	To improve water Quality by improving on the Blue Drop and be able to provide safe drinking water to the community
Improvement of water Conservation and water demand management, using all the necessary requirements and skills development	Improvement of water Conservation and water demand management, using all the necessary requirements and skills development
To Ensure that 100% of Households in formal settlements in the Ngwathe Municipal Area have area access to descent Sanitation water by 2022	To Ensure that 100% of Households in formal settlements in the Ngwathe Municipal Area have area access to descent Sanitation water by 2022
Infrastructure and Basic Services Development	To Ensure that all identified internal roads and storm water facilities in Ngwathe are maintained

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	and/or upgraded to facilitate economic and social activity required for the sustainable development of the Municipality, Considering the Limitations facing the Municipality by 2022
Radical Economic Development	The Promotion of tourism, economic and rural development
Good Governance and Public Participation	Promote a culture of participatory and good governance.
Institutional Transformation and Organisational Development	Improve organizational cohesion and effectiveness
Sound Financial Viability and Management	To improve overall financial management and viability in the Municipality by developing and implementing appropriate financial management policies, procedures, projects and systems
Radical Local Economic Development	Create an environment that promotes the development of the local economy and facilitate job creation

SECTION F

ABOUT US

1. Locality

Ngwathe Local Municipality (FS-203) is situated in the northern part of the Fezile Dabi District Municipality previously known as the Northern Free State, it is one of the four Local municipality within the district, the other three (3) being Mqohaka LM, Metsimaholo LM and Mafube LM. The total estimated population of the municipality in terms of Census 2011 results is 120 520. The geographical area of the municipality is 7055 Square kilometres. The municipality comprises of five towns which are:

Parys (Head Office), Heilbron, Koppies, Vredefort, and Edenville.

Ngwathe Local Municipality is a category B municipality as envisaged in section 155 (h) of the Constitution of the Republic of South Africa Act 108 of 1996, as such it has specific legislative powers and performs such duties and functions which are attributable to the local municipality of its category by the Constitution. In terms of the provincial gazette, Ngwathe is supposed to be a Mayoral type municipality.

2. Political Governance & Administration

Table 27: Composition of the Municipal Council

	POLITICAL PARTY	NO OF SEATS	
	African National Congress (ANC)	24	
	Democratic Alliance (DA)	8	
	Economic Freedom Fighters (EFF)	3	
	Freedom Front Plus (FFP)	1	
	TOTAL	36	



The Executive Mayor: Cllr MJ Mochela

The Executive Mayor of Council drives the executive program of council, supported by a Mayoral committee which she appoints. Executive Mayor MJ Mochela, represents the African National Congress in council and is now serving for a second consecutive term as Executive Mayor and is administratively supported by the Municipal Manager whom leads the administration.

The Executive Mayor reports directly to council, leading the strategic planning and budgeting processes of council, consistent with the Municipal Finance

Management Act, Act 56 of 2000.




The mayor also directs specific special programs and projects, relating to vulnerable groups, empowerment projects, whilst the protection and promotion of women, disabled and children's rights are of the key sectors/groupings to whom she leans strongly. The special projects of the mayor will therefore again find strong expression in the municipality Service Delivery Budget Implementation Plan where significant progress was seen during the latest performance report presented to Council.




MAYCO

The Mayoral Committee (MAYCO), which is chaired by the Executive Mayor and draws membership from the chairs of the following Municipal Portfolio Committees (Section 80 committees):

Table 28: SECTION 80 Committees

Committee	Name of Councillor	Designation
1.Finance and Budget		
	1. Cllr Mannese Mofokeng Chairperson	
	2. Cllr Sonty Mvulane	
	3. Cllr Ashley Matroos	
	4. Cllr Mafeka Gobidolo	
	5. Cllr Phillip Van der Merwe	
	6. Cllr Robert Ferndale	

2.Infrastructure And Led		
	1. Cllr Philemon Ndayi Chairperson	
	2. Cllr Matjhini Toyi	
	3. Cllr Mabatho Myeni	
	4. Cllr Jaco La Cock	
	5. Cllr Sylvia Radebe	
	6. Cllr Mahlomola Taje	
3. Urban ,Planning and Rural		
	1. Cllr Maide Mmusi - Chairperson	
	2. Cllr Sonty Mvulane)	
	3. Cllr Ntutu Sehume	
	4. Cllr Shirley Vermaak	
	5. Cllr Serame Nteo	
	6.Cllr Rosie Kgantse	
4.Corporate Services		
	1.Cllr Koko Serati - Chairperson	
	2 .Cllr Hendricks Fieland	
	3. Cllr Malebo Magashule	
	4. Cllr Mosiuwa Mofokeng	
	5. Cllr Motebele Ramailane	
	6. Cllr Robert Ferndale	

5. Social and Community Development		
	1. Cllr Malefu Mofokeng Chairperson	
	2. Cllr MahlomolaTaje	
	3. Cllr Poloko Molaphene	
	4. Cllr Rebbeca Mehlo	
	5. Cllr Mahloko Rapuleng	
	6. Cllr Carina Serfontein	
6.Public Safety and Transport		
	1. Cllr Leponesa Sochiva Chairperson	
	2. Cllr Joshua Mabena	
	3. Cllr Saal De Jager	
	4. Cllr Mabatho Myeni	
	5. Cllr Thene Bakwena	
	6. Cllr Mafika Gobidolo	
	7.Cllr Arnold Schoonwinkel	
7.Special Programmes + IDP		
	1.Cllr Sparks Mbele - Chairperson	
	2.Cllr Ntutu Sehume	
	3.Cllr Thene Bakwena	
	4. Cllr Matjhini Toyi	
	5.Cllr Rosie Kgantse	
	6.Cllr Victoria Mthombeni	
	7. Cllr Mahlomola Taje	

8. LLF		
	1. Cllr Koko Serati - Chairperson	
	2. Cllr Ndayi Phelimon	
	3. Cllr Hendricks Fieland	
	4. Cllr Maide Mmusi	
	5. Cllr Phillip Van Der Merwe	
9. MPAC / Section 32		
	1. Cllr Victoria Mthombeni - Chairperson	
	2. Cllr Mosiuwa Mofokeng	
	3. Cllr Malebo Magashule	
	4. Cllr Rebecca Mehlo	
	5. Cllr Arnold Schonwinkel	

Mayor's Office





The Speaker: Cllr NP Mopedi

Responsibilities of the Municipal Council

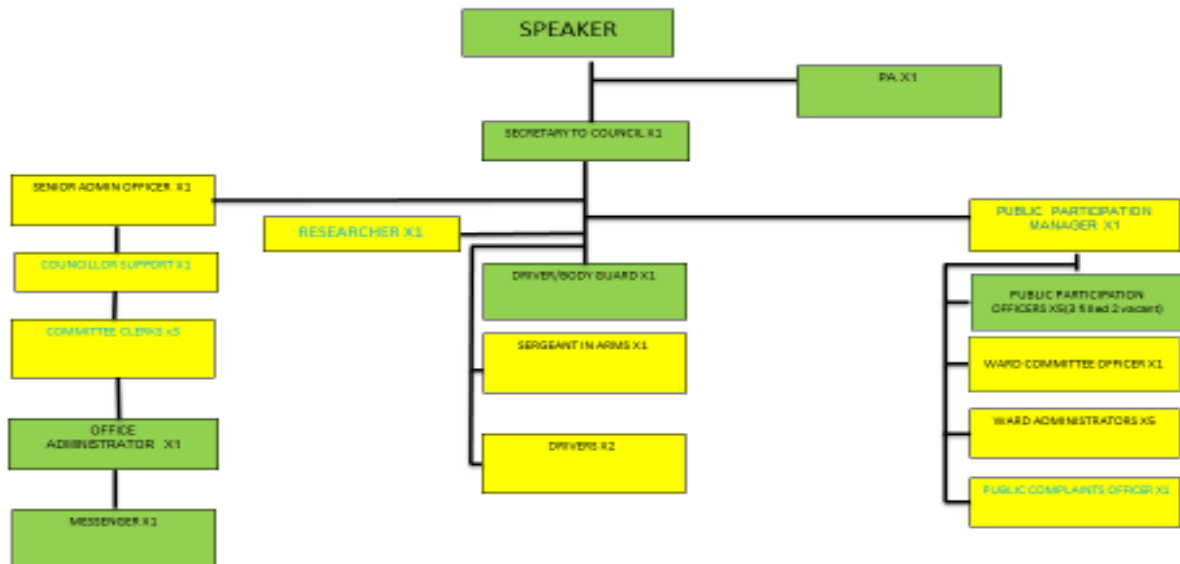
Section 151 of the Constitution, 1996 states that the executive and legislative authority of a municipality is vested in its municipal council

The municipality has all the powers assigned to it in terms of the Constitution as well as national and provincial legislation. The municipality has the right to do anything reasonably necessary for or incidental to the effective exercising of its powers.

The executive and legislative authority of the municipality vest in the Council, and the Council takes all the decisions of the municipality except -

- (a) decisions on those matters that have been delegated;
- (b) decisions on those matters that have by law been assigned to a political structure, political, office bearer or employee of the Council.

Speaker's Office



NGWATHE MUNICIPALITY ADMINISTRATIVE ARM



MUNICIPAL MANAGER
MR B W KANNEMEYER



DIRECTOR TECHNICAL SERVICES
Mr. NB Thobela



DIRECTOR COMMUNITY SERVICES
Me. PP Nhlapo



CHIEF FINANCIAL OFFICER
Mr. HI Lebusa



ACTING DIRECTOR CORPORATE SERVICES
Mr. Z Majivolo

3. Administrative Governance Structure

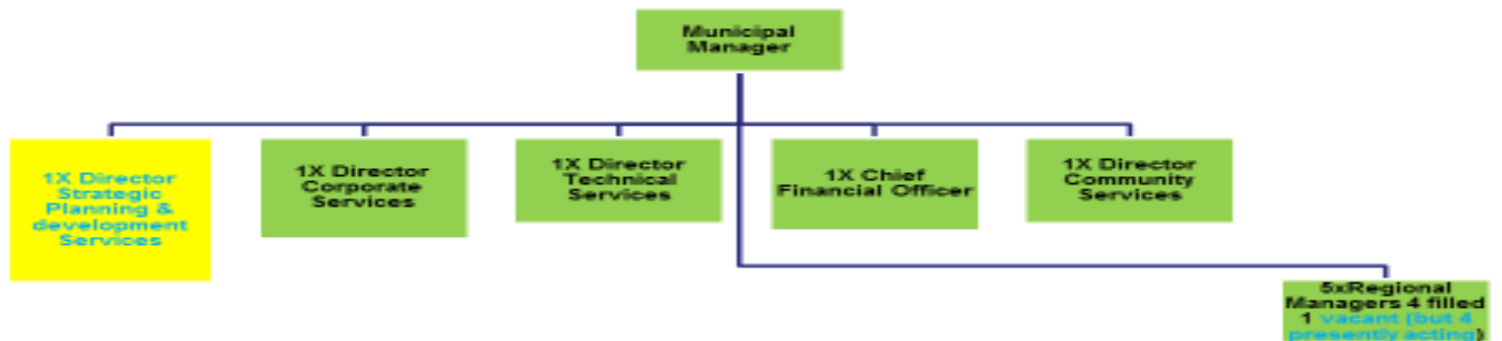
Section 55(1) of Municipal System Act 32:2000 section 55 states, amongst others that:

As head of administration the municipal manager of a municipality is, subject to the policy directions of the municipal council, responsible and accountable for:

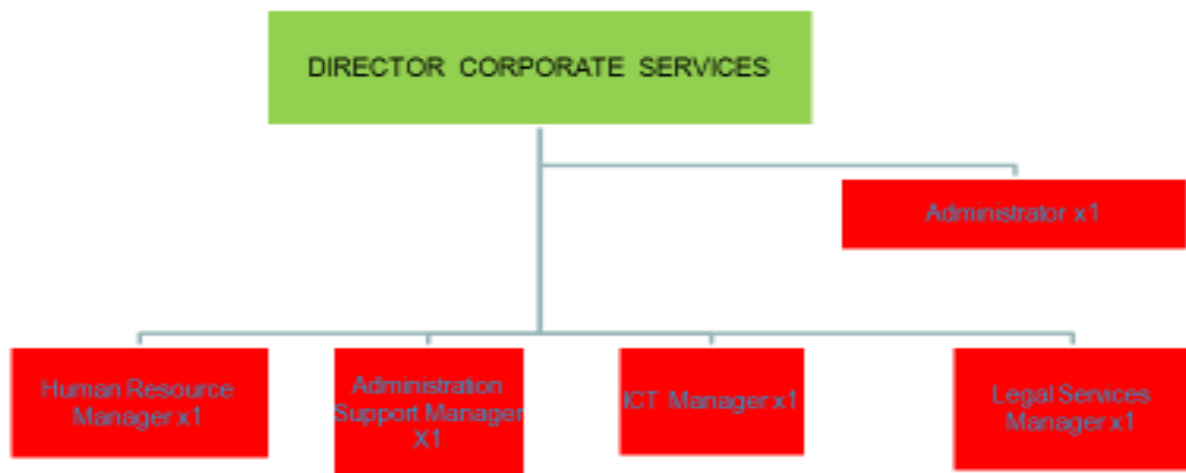
- a) the formation and development of an economical effective, efficient and accountable administration-
 - (i) equipped to carry out the task of implementing the municipality's integrated development plan in accordance with Chapter 5:
 - (ii) operating in accordance with the municipality's performance management system in accordance with Chapter 6; and
 - (iii) responsive to the needs of the local community to participate in the affairs of the municipality;
- b) the management of the municipality's administration in accordance with this Act and other legislation applicable to the municipality.

In line with the above legislative requirement, the administration is led by the Municipal Manager, who is appointed in terms of section 54a of the Local Government: Municipal Systems Act (No.32 of 2000). The Municipal Manager is appointed on a fixed term contract. The conditions of employment for the Municipal Manager included concluding annual performance agreements with the Mayor which contains performance objectives, targets and procedures for evaluating performance. The Municipal Manager is also the Accounting Officer in line with the requirements of the Local Government: Municipal Finance Management Act (No. 56 of 2003).

Municipal Manager's Office



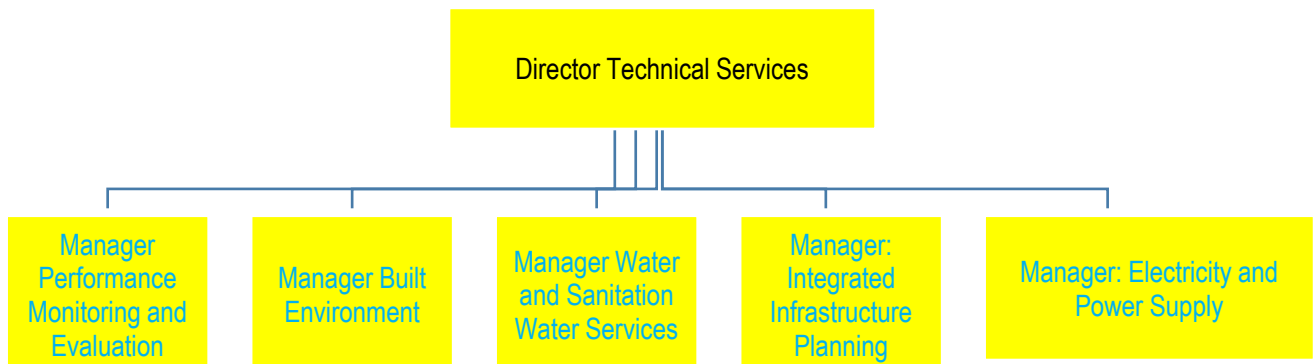
Corporate Services



Financial Services



COMMUNITY SERVICES



4. SWOT ANALYSIS

SWOT analysis is particularly useful in order to inform effective planning when setting objectives and developing strategies for the outer years. On the 4th and 5th March 2017 there was a strategic session that was held in the Parys Forum building whereby the Mayor invited all Councillors from different political parties, organised labour and management. The participants were divided into four diverse groups and required to list the strengths, weaknesses, opportunities and threats.

“SWOT analysis is a process that identifies the strengths, weaknesses, opportunities and threats of an organization. Specifically, SWOT is a basic, analytical framework that assesses what an organization can and cannot do, as well as its potential opportunities and threats.

“SWOT analysis (alternatively SWOT matrix) is an acronym for strengths, weaknesses, opportunities, and threats and is a structured planning method that evaluates those four elements of a project or business venture SWOT analysis.

Using the above extracts, the facilitator explained to the participants what the definition of SWOT analysis is and its utilization as a management tool. The following were the outcome of the group sessions:

Table 29: SWOT ANALYSIS

Strengths	Weaknesses
<input type="checkbox"/> Political stability <input type="checkbox"/> Location of municipality <input type="checkbox"/> Land for Economic Development <input type="checkbox"/> Equitable Share from National Government <input type="checkbox"/> Community Supporting the Municipality <input type="checkbox"/> Tourism for Economic Development <input type="checkbox"/> Offices /Hospital	<input type="checkbox"/> Institutional Capacity <input type="checkbox"/> Poor Infrastructure <input type="checkbox"/> Old apartheid Human settlement <input type="checkbox"/> Poor Communication within the organization <input type="checkbox"/> Wrong Placement <input type="checkbox"/> Lack of implementation of Council Resolution (Execution gaps
Opportunities	Threats
<input type="checkbox"/> Economic opportunities <input type="checkbox"/> BB <input type="checkbox"/> Restaurants <input type="checkbox"/> Power boat <input type="checkbox"/> Dome in Vredefort <input type="checkbox"/> Madeira Flower Festival <input type="checkbox"/> Recreation Facilities / Boating / Mimosa <input type="checkbox"/> Aviation EXPO / Parys Airport	<input type="checkbox"/> Eskom Account – from external point of view <input type="checkbox"/> Ageing Infrastructure (E.g. Old Water pipes pipe bursts) <input type="checkbox"/> Population Growth (E.g. all town are growing and as when they are growing the is high risk of (e.g. crime) <input type="checkbox"/> High rate of Unemployment e.g. risk - high rate of indigents in our municipal space

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<input type="checkbox"/> Koppies Dam / Heilbron <input type="checkbox"/> Conference Centres / Across the municipality <input type="checkbox"/> Vaal River <input type="checkbox"/> Mines <input type="checkbox"/> De Beers <input type="checkbox"/> Bentonite <input type="checkbox"/> PV Power Generation <input type="checkbox"/> Agriculture <input type="checkbox"/> Agri-park <input type="checkbox"/> Manufacturing (More opportunities available) <input type="checkbox"/> Clover <input type="checkbox"/> Simba <input type="checkbox"/> Refrigeration <input type="checkbox"/> Telwerde - Cattle feed <input type="checkbox"/> Sernick - Maize <input type="checkbox"/> Fluit - Boots <input type="checkbox"/> Land <input type="checkbox"/> Industrial Sites and buildings <input type="checkbox"/> Commonages land <input type="checkbox"/> Airport as opportunity <input type="checkbox"/> Game farming <input type="checkbox"/> Zoo <input type="checkbox"/> Abattoirs	<input type="checkbox"/> Flooding – E.g. some of the places in Koppies were flooded as a results of rains <input type="checkbox"/> Crime – E.g. a number of cable thefts cases reported to-date – Execution Gaps <input type="checkbox"/> Drug Abuse <input type="checkbox"/> Social Problems – Informal Settlement (It is mushrooming in our towns, the increasing number of street kids in our towns) <input type="checkbox"/> Poor Management of Assets
---	--

Risk management process

Good governance is the means of ensuring due and adequate control over the strategy and direction of any organisation.

6.3.1(1) Section 62 (1) of the MFMA

The accounting officer of a municipality is responsible for managing the financial administration of the municipality, and must for this purpose take all reasonable steps to ensure—

a) that the resources of the municipality are used effectively, efficiently and economically; b) that full and proper records of the financial affairs of the municipality are kept in accordance with any prescribed norms and standards;) that the municipality has and maintains effective, efficient and transparent systems — (i) of financial and risk management and internal control; and (ii) of internal audit operating in accordance with any prescribed norms and standards;

APPROACH

Risk identification

During the strategic Session assessment process, participants was tasked to identify the high level, holistic strategic risks that may impact departments from realising / achieving its set strategic objectives:

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Table 30: Top 10 Risks

1. Electricity Cable Theft
2. High Expenditure Patterns
3. Low Revenue
4. Poor Water Quality
5. Weak Internal Controls
6. Ageing Infrastructure
7. Distribution Loss (water & electricity)
8. Outdated maintenance plans
9. Litigations
10. Floods

5. What Our Municipality has to offer?

Table 31: Ngwathe Profile

SECTOR	AREA/TOWN	OFFERING
Tourism	Parys & Vredefort	We house the Vredefort Dome World Heritage Site: a fascinating exposure of ancient granites emerging from the thick cover of the later Karoo sediments. The form of the dome consists of a central cone of granite surrounded by concentric ridges of quartzite belonging to the Witwatersrand System.
	Parys	Mimosa resort Various tourism centers & accommodation.
	Koppies	Koppies Dam Resort
	Heilbron	Eufees Dam Resort
Geographical location	Parys	Strategically placed as a gateway to North West and Gauteng. Housing major roads in R59 and N1.
	Heilbron	Gate way to Eastern Free State, KZN & Lesotho.
Natural Resources	Parys	The Vaal River: forms the northern boundary of the area, which also serves as the boundary between the Free State and Gauteng and Northwest Province.
	Koppies	The Renoster River & Koppies dam
	Heilbron	Eufees Dam
	Edenville	The endangered species (sun gazing lizards) .
	Vredefort	De Beers Diamond Mine.
Historical Sites	Parys	The Parys Museum (Old Magistrate Office) The Dutch Reformed Church in Parys.
	Koppies	Vredefort Road Concentration Camp Cemetery.
	Heilbron	Old farmhouse, Welsbach House, Leeuwpoot; Heilbron Railway station.
Sport	All towns	Host of the annual Phakisa boat show

SECTION G

POWERS AND FUNCTIONS OF NGWATHE LOCAL MUNICIPALITY

Local government is assigned specific powers and functions that are unique and appropriate to the lower sphere of government. Similar to the position on national and provincial spheres, local government powers and functions are constitutionally entrenched and protected and cannot be unilaterally taken away by another sphere of government. Albeit constitutionally protected, the powers and functions of municipalities are not absolute and are subject to both constitutional and national legislative requirements.

Chapter 3 of Municipal Systems Act, 2000 states that a municipality has all the functions and powers assigned to it in terms of the Constitution, and must exercise them subject to Chapter 5 of the Municipal Structures Act, 1998. Furthermore, a municipality is empowered by legislation to do anything reasonably necessary for, or incidental to, the effective performance of its functions and the exercise of its powers.

Function	Definition of Function
Municipal Roads	Construction, maintenance and control of a road used by members of the public, including streets in built up areas.
Electricity reticulation	<p>Bulk supply of electricity, which includes for the purpose of such, the supply, the transmission, distribution, and where applicable the generation of electricity.</p> <p>Regulation, control and maintenance of the electricity reticulation network.</p> <p>Provision and maintenance of public lighting which includes street lights, high mast lights, etc.</p> <p>Tariff policies, monitoring of the operation of the facilities for adherence to standards.</p>
Water (Potable)	Establishment or procurement, operation, management, and regulation of a potable water system, including the services and infrastructure required for the regulation of water conservation, purification, reticulation and distribution

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Sanitation	Establishment or procurement, where appropriate, provision, operation, management, maintenance and regulation of a system, including infrastructure for the collection, removal and disposal or purification of human excreta and domestic waste-water.
Cemeteries and crematoria	The establishments conduct and control of facilities for the purpose of disposing of human and animal remains. This includes, funeral parlours and crematoria.
Refuse Removal, refuse dumps and solid Waste	Removal of any household or other waste and the disposal of such waste in an area, space or facility established for such a purpose. It further includes the provision, maintenance and control of any infrastructure or facility to ensure a clean and healthy environment.
Storm water	Management of systems to deal with storm water in built-up areas
Firefighting	Fighting and extinguishing fires, the rescue and protection of any person, animal or property in emergency situations not covered by other legislations or powers and functions
Municipal Planning	Compilation of IDPs, preparation of the SDFs as a sectoral plan, development and implementation of a town planning scheme or land-use management scheme
Local Sport and recreation facilities	Provision and maintenance of sports and recreational facilities

PUBLIC PARTICIPATION

Ngwathe Local Municipality strives to achieve at all times, the community participation in matters affecting the community as directed by the MSA. Chapter 5 requires that a Municipality must develop a culture of municipal governance that complements formal representative government with a system of participatory governance, and must for this purpose, encourage and create conditions for local community to participate in the affairs of the Municipality, including legislation

The Municipal Systems Act, Act 32 of 2000, *Chpt. 4, Section 17 (2)* regulates that municipalities must establish appropriate mechanisms, processes and procedures to enable the local community to participate in the affairs of the municipality. Chapter 5, Section 29 Subsection 1 (b) provides for consultation with the community on its development needs and priorities; the community therefore participating in the drafting of the integrated development plan.



Municipal Manager Mr. BW Kannemeyer addressing Councillors on the IDP/BUDGET Workshop held on the 10 May 2018, in Parys Forum Building

MECHANISMS AND PROCEDURES FOR COMMUNITY AND STAKEHOLDER PARTICIPATION

One of the main features of the IDP planning process is the involvement of community and stakeholder organizations in the process, such an involvement ensures an IDP that is informed by REAL and ACTUAL ISSUES DIRECTLY EXPERIENCED BY COMMUNITIES. It is therefore crucial for Ngwathe Local Municipality to adopt an appropriate mechanism and also put in place appropriate structures to ensure effective participation. Ngwathe Public Participation Policy is the guiding document in this regard; this policy takes cue from the **Provincial Community Based Planning Model (CBP)**.

THE IDP/BUDGET STEERING COMMITTEE

The proposed Process Plan Committee that will deal with the preparation of the Process Plan; this structure will subsequently be entirely incorporated as part of the IDP, Budget and SDF Steering Committee:

Mayoral Committee:

The Mayor, and all the Mayoral Committee Members



*Back Row From Left :1.Cllr M.M. Mofokeng:MMC For Finance ana Budget. 2.Cllr M.Mofokeng MMC for Social and community.
3.Cllr L Sotshiva MMC For Public Safety and Transport. 4.Cllr M.Mmusi MMC for Urban,Planning and Rural
5.Cllr K.Serati MMC For Corporate Services
Front row From Left:Cllr P.R. Ndayi:MMC for Infrastructure and LED. 2.Cllr M.J Mochela :Executive Mayor .Chairperson
3.Cllr S.Mbele MMC for Special Programmes and IDP*

The IDP/Budget Steering committee is established upon the prerogative of the Mayor and administratively coordinated by the Municipal Manager. The political representatives are selected by the mayor and the mayor directs the municipal manager on which administrative officials should form part of the process. The terms of reference is therefore set by the mayor in collaboration with the municipal manager.

The mayor calls and leads all meetings of the steering committee, whilst the administration takes responsibility for minutes and recording of minutes during and after meetings.

THE ROLE OF THE SPEAKER

The speaker's role in a municipality is key to ensuring oversight, accountability, integrity, discipline of office, and the efficient running of council meetings.

- Oversee public participation strategy in the Municipality;
- facilitating public participation in legislative matters;
- establishment and functioning of ward committees; and
- Support to councillors.

WARD COMMITTEES

The main drivers of the public Participation is the Ward Committee, their functionality will therefore come in handy for the success of Municipal Planning and Development and help reduce service delivery protests.

FUNCTIONS OF WARD COMMITTEES

➤ Communication Channel

The primary function of a ward committee is to serve as a formal communication channel between the community and the council. In terms of the Structures Act a ward committee may make recommendations on any matter affecting the ward to the ward councillor or through that councillor to the Council.

Furthermore, a ward committee is the proper channel through which communities can lodge their complaints. It would also be a forum for communication between the ward councillor and the community about municipal issues and development, as well as service options within the ward

Ward committees are chaired by the ward councillor, and comprised of up to ten additional people representing 'a diversity of interests' in the ward,

To make ward committees more effective it is required that the municipality explore ways of;

- (i) empowering ward committees in respect of council processes,
- (ii) ensuring ward committees function effectively, and
- (iii) that the relationship with communities is inclusive, transparent and participatory

REGISTERED STAKEHOLDERS

Stakeholder Organizations which represent the certain Social Economic, Gender or Environmental interests have to be registered a 'Stakeholder Associations' at Municipal level through which they can participate in the planning process.

- All members of the Public,
- Community Based Organisations
- NGO's
- Traditional Leaders
- Business persons
- Structures and organizations within Ngwathe Local Municipal

Table 32: Stakeholder Meeting was held under the following arrangements

DATE	TOWN	VENUE	ATTENDANCE	INPUTS/COMMENTS
03 MAY 2018	PARYS	PARYS TOWN HALL	106	41 inputs were recorded from various wards



Executive Mayor Cllr MJ Mochela addressing Stakeholders on the IDP/BUDGET Stakeholder's Meeting



IDP REPRESENTATIVE FORUM

The IDP Representative Forum is a structure that institutionalizes and ensures that representative participation in the IDP process. The representative forum represents the interests of its constituents in the IDP process, and its thus required to give feedback to its constituents.

Table 33: Representative Forum was held under the following arrangements:

DATE	TOWN	VENUE	ATTENDANCE	INPUTS/COMMENTS
02 MAY 2018	VREDEFORT	VREDEFORT TOWN HALL	87	10 Inputs were recorded from various Wards



Executive Mayor Cllr MJ Mochela addressing Stakeholders - IDP REP FORUM
IDP REP Forum (Vredefort)



Municipal Manager BW Kannemeyer –



STRUCTURED PARTICIPATION:

A structured public participation process will be followed;

- Ward councillors and Ward Committees will in most cases lead the proceedings
- Ward based approach is the key to reach as vast and many members of our communities.
- Existing public participation structures will be used.
- Door to door will also be used to address the principle of inclusivity.
- Appropriate forms of media will be utilized in order to reach as many people as possible.
- All relevant community and stakeholder organizations will be invited to register as members of the IDP Representative Forum.
- An appropriate language and accessible venues will be used to allow all stakeholders to freely participate.
- The IDP Representative Forum meetings will be scheduled to accommodate the majority of the members.
- Copies of the IDP documents will be made available for all communities and stakeholders and adequate time provided for comments.

DIVERSITY:

- The way public participation is structured provides sufficient room for diversity within the Municipal area in terms of different cultures, gender, and language and education levels.
- Participants will therefore be made aware that it is in their own interest to be involved in the planning process and it is not a task they have to be paid/pay for.
- Participants are responsible and expected to give report back to the structures that they represent.

PUBLIC ENGAGEMENTS/COMMUNITY PARTICIPATION

The public engagement sessions scheduled as reflected below. All scheduled meetings was advertised in local newspaper and website for public information and participation. In support of advertised public meetings, loud hailing of meetings was done in collaboration with the Speaker's office in various Wards throughout Ngwathe Local Municipality.

This was in line with the Council approved Process Plan with intention to review a 5-Year IDP Plan (2017/18 to 2021/22) as mandated Chapter 4, section 16 read together with Chapter 5, section 25 of Municipal Systems Act 32 of 2000.



Cllr H Fieland addressing Community of Ward 13 on the Draft IDP/BUDGET Public Participation Meeting

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Cllr M Gobidolo addressing Community of Ward 7 on the Draft IDP/BUDGET Public Participation Meeting

- Community Needs set out in the 2017/18 IDP remain as is, in the Final IDP 201718 – 202122 refers above on page 2 – Community needs of Ward 7



Cllr S Mbele addressing Community of Ward 9 (Ntshwephepa School) on the Draft IDP/BUDGET Public Participation Meeting, assisted by Budget Manager – Mr T Mpindo



Cllr S Mbele addressing Community of Ward 9 (Barnard) on the Draft IDP/BUDGET Public Participation Meeting, assisted by Skill Development Manager – Ms M Motha

SECTION H: DEVELOPMENT STRATEGIES – NATIONAL OBJECTIVES / KEY PERFORMANCE AREAS

INTRODUCTION

This section summarises the development strategies of Ngwathe Municipality with reference to the previous sections. The Ngwathe Performance Management Model structure will be used as the source and will now be grouped by National Objective.

Following is a short summary that shows the relationship of the National Objectives / Key Performance Areas to Directorates, the Ngwathe Balanced Scorecard (BSC) and the performance management framework.

NATIONAL OBJECTIVES AND DIRECTORATES

The table below shows emphasis each directorate places on National Objectives / Key Performance Areas during the development of the Strategic and Performance Framework of council. Due to the fact that the LED Strategy is still under review, the emphasis on this NO is rather low. However, the Draft LED Strategy will be included only as a plan, though not for implementation because of its status.

Table 34: National Objectives and Directorates

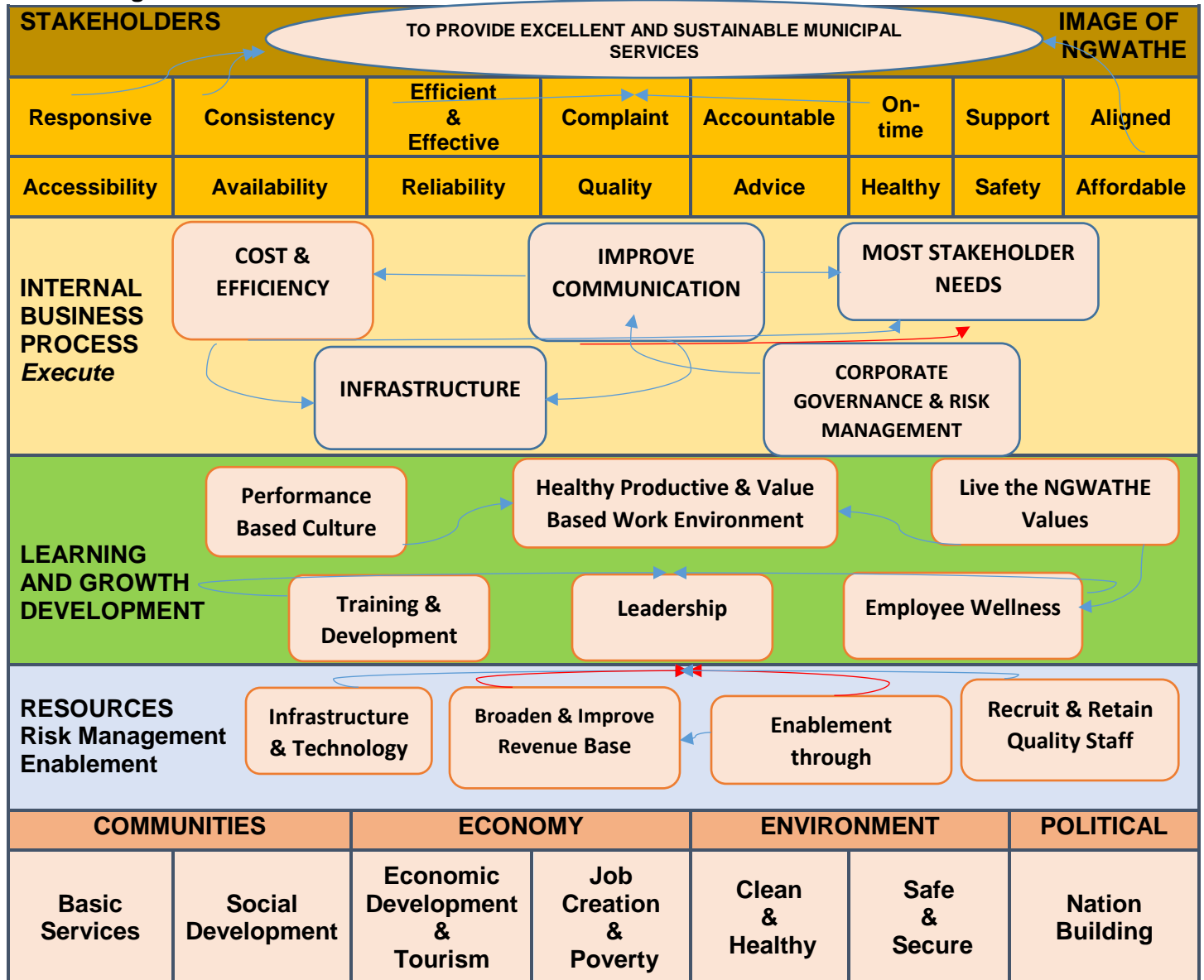
National Objective / KPA	DIRECTORATE
NO 1 Municipal Transformation & Institutional Development	Technical Services
	Community Services
	Corporate Services
	Financial Services
	Office Municipal Manager
NO 2 Infrastructure Development & Basic Services	Technical Services
	Community Services
	Corporate Services
NO 3 Local Economic Development	
NO 4 Municipal Financial Viability & Management	Technical Services
	Corporate Services
	Financial Services
	Office Municipal Manager
NO 5 Good Governance and Public Participation	Technical Services
	Corporate Services
	Community Services
	Financial Services
	Office of Municipal Manager

STRATEGY MAP

The Ngwathe municipality strategy map, figure 29 (below), shows the relationships between the various BSC perspectives, the value proposition to customers and the strategic objectives. The strategic objectives are superimposed on the four perspectives of the BSC creating a cause-and-effect relationship. The strategy map shows the links between the various objectives and it is now possible to attach performance measures to each of the objectives.

To assist with the logic of the structure or flow of the map, the Stakeholder perspective is all about delivery which is defined by the value-proposition (orange blocks) to stakeholders. The Internal Business Process perspective is all about efficient and effective execution which will result in delivery according to customer requirements. The Learning and Growth perspective looks at the development environment – ensuring the right culture with the right human resources and the ability to measure for effective management. The Resources perspective shows the enablement environment in terms of people, finances, and technology.

Figure 19: NGWATHE STRATEGY MAP



NATIONAL OBJECTIVES / KEY PERFORMANCE AREAS AND BSC RELATIONSHIP

The table below illustrates the relationship and the BSC perspectives as defined by Ngwathe LM, with this being the first outcome after analysis, the table shows where more emphasis is required to implement a more balanced approach. With regards to NO / KPA 1 the emphasis is on ensuring that the internal processes (*Process*) and culture (*L&G*) of the municipality have to be sound to ensure efficient and effective service delivery. This is obvious from the table that the strategy is placing a strong emphasis on these two perspectives. It also shows further that there should also be *Resources* available to ensure efficient and effective service delivery. The *Stakeholder* perspective is not shown in NO / KPA 1 as all activities are aimed at supporting the other four National Objectives.

Table 35: National Objectives / Key Performance Area and BSC Relationship

Table 3.6: National Objectives, Key Performance Area and BSC Relationship		
National Objective / KPA	BSC PERSPECTIVE	DIRECTORATE
NO 1 Municipal Transformation & Institutional Development	Process	Technical / Financial / Corporate Community Services / OMM
	Learning & Growth	Corporate / Community / Technical Services
	Resources	Technical / Community / Corporate Services
	Stakeholders	Financial Services
		Office Municipal Manager
NO 2 Infrastructure Development & Basic Services	Process	Technical / Community Services
	Learning & Growth	Technical / Community Services
	Stakeholders	Technical / Community / Corporate Services
	Resources	Technical / Community Services
NO 3 Local Economic Development	Stakeholders	Office Mayor /
NO 4 Municipal Financial Viability & Management	Process	Financial / Technical / Community Services
	Resources	Technical / Community / Technical Services
NO 5 Good Governance and Public Participation	Process	Technical / Community / Corporate Services / OMM
	Learning & Growth	Technical Services
	Stakeholders	OMM / Community / Financial Services

With regards to **National Objective / Key Performance Area 2** the focus has to be on infrastructure development and service delivery. All four BSC perspectives are present. Again the *Process* dimension is strongly emphasised in the strategy aimed at supporting the *Stakeholder* needs of the municipality. Activities supporting culture and development (*L&G*) are also shown as well as those aimed at the supplying of *Resources*.

National Objective / Key Performance Area 3 shows that the municipality still has much to do to develop this objective in terms of the organisation's strategy. An overall Economic Development Plan has been put on paper, the implementation part and its integration into the performance management system still needs to be done.

National Objective / Key Performance Area 4 which is aimed at ensuring long-term sustainability of municipalities is currently the greatest challenge facing Ngwathe Local Municipality. Both the *Resources* perspective and the *Process* perspective are represented here with the greatest emphasis being on resources. The *Stakeholder* and *Resources* dimensions are also represented to a lesser extent.

With regards to **National Objective / Key Performance Area 5** the emphasis is mainly on corporate governance and risk management. These are supported by the objectives as expressed in the Process dimension of the BSC.

NATIONAL OBJECTIVES AND DIRECTORATES

NATIONAL OBJECTIVE 1: MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT

National Objective 1, focuses on the establishment of a well-managed, healthy, efficient and effective municipality, will be discussed by Directorate and broken down into the various Departments and Processes. This section covers: Stakeholders and their needs; Strategic Actions and Objectives of Directorates and Departments; KPIs linked to processes; the root causes of poor performance; and, the initiatives that will be put in place to address the root causes.

TECHNICAL SERVICES

Who are our stakeholders

The main stakeholders will be the groupings which the Technical Services department have to serve, which will include; towns – as a total service area, whilst wards indicate services to specific wards. It can also be seen that services are also rendered to internal departments in terms of services of a civil works nature. Bulk services also indicate that they see tourists, process activities and downstream users of their services also as stakeholder. These services will allow department to indicate the KPIs that will be undertaken.

Stakeholder List

- Towns
- Wards
- Departments
- Tourists

What are their Needs - Value Proposition

To assist with logic of structure or flow the stakeholder perspective is all about delivery defined as the value-proposition by stakeholders.

The value proposition element that in terms of internal analysis and public feedback exceeds those of other elements is *Efficient and Effective Service Delivery*, followed by *Quality Service*, *Timeliness or On-Time delivery*, *Reliability and Accountability*.

The following elements are listed as below;

Efficiency and effectiveness, reliability, Quality, Healthy, Timeliness, Accountability, consistency, affordability and support.

The performance of the department and municipality should be measured and ideally leaning towards effectiveness and efficient service delivery.

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Technical Services by department and related processes are defined as being at managerial level, operational KPI's are thus not included.

Process	KPI Name	Department
Engineering	% Unaccounted water	PMU & Water Services Dept
General Management & Administration	# Customer complaints	PMU / Water / Roads / Electrical Services
	# Disciplinary Actions	
	# IOD's	
	% Actual vs Planned Training	
	Absenteeism	
Help Desk	# Customer Complaints	PMU/Water/Electrical & Roads Dept.
Maintenance of Sidewalks & Driveways	% Activities planned that met target objectives and specifications	PMU/Water/Electrical & Roads Dept.
Maintenance of vehicles and equipment	Cost due to negligence Cost due to vandalism	PMU/Water/Electrical & Roads Dept.
Metering	% Losses	Water / Electricity Dept.
Road Maintenance	% Activities planned that met target objectives and specifications Cost per unit	Roads Dept.
Storm Water Maintenance	% Activities planned that met target objectives and specifications Cost per unit	Water Services / Roads Dept.

ROOT CAUSE FOR POOR PERFORMANCE

Root Cause Category	KPI Name	Department
Ageing Infrastructure	# Customer Complaints	PMU & Water Services Dept
	% Vehicles / Equipment availability	PMU / Water / Roads / Electrical Services
	% Vehicle / Equipment Utilisation	
	Cost due to negligence	
	Cost due to vandalism	
	Cost per unit	
Capacity – Equipment & Systems	# Customer complaints	PMU/Water/Electrical & Roads Dept.
	% Vehicles / Equipment availability	
	% Vehicle / Equipment Utilisation	
Capacity - Facilities	% Actual vs planned - training	Water / Electricity Dept.
Capacity – Financial	% Customer complaints	
	% activities planned that met target objectives and specifications	
	% Unaccounted water	
	Contractor performance	
	Cost due to negligence	
	Cost due to vandalism	
	Cost per unit	
	% Vehicles / Equipment availability	
	% Vehicle / Equipment Utilisation	
Capacity – Human Resources	% Customer complaints	
	% Unaccounted water	
	Cost due to negligence	
	Cost due to vandalism	

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	Cost per unit	
	% Vehicles / Equipment availability	
	% Vehicle / Equipment Utilisation	
Capacity – Knowledge & Skills	# IOD's	
	% Actual vs Planned - training	
Component Failure	% Losses	
Maintenance	# Customer complaints	
Municipal Leadership	# Disciplinary actions	
	# IOD's	
	Absenteeism	
Supply Chain Management	# Customer complaints	
	Cost due to negligence	
	Cost due to vandalism	
	Cost per unit	
	% Vehicles / Equipment availability	
	% Vehicle / Equipment Utilisation	

The above table clearly shows the root causes for poor performance and the KPIs that are negatively affected due to these issues in the directorate and departments.

Initiatives to Address Root Causes

The table below shows the various initiatives that can be initiated by departments to address the root causes of poor performance. These must be prioritised and included in the IDP and action plans for the remainder of term as indicated in the Performance Improvement Plan and Performance Agreement of Director and managers.

Root Cause Category	Initiatives	Department
Capacity - Financial	Motivate for funding	PMU & Water Services Dept
	Improve SCM	PMU / Water / Roads / Electrical Services
	Fill available posts	
	Embark on vehicle / equipment replacement programme, Start replacement programme for vehicles	
	Fill vacancies	
	Budget & motivate for resources	
	Recruitment of personnel	
	Motivate for adequate funding	
	Employ skilled and developed staff	
	Develop training facilities	
	Develop existing staff to become trainers	
Capacity – Human Resources	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle / equipment replacement programme,	
	Start replacement programme for vehicles	
	Fill available posts	
	Establish management structure	
	Timeous planning	
	Motivate for adequate funding	
	Recruitment of personnel	

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Capacity – Knowledge & Skills	Obtain sufficient training funding	
	Employ skilled and developed staff	
	Develop training facilities	
	Develop existing staff to become trainers	
	Motivate employees	
	Effective training of staff	
	Allocate appropriate budget for training	
Capacity – Equipment & Systems	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle / equipment replacement programme,	
	Motivate for adequate funding	
Capacity - Facilities	Obtain sufficient training funding	
	Employ skilled and developed staff	
	Develop training facilities	
	Develop existing staff to become trainers	
Ageing Infrastructure & Equipment	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle / equipment replacement programme,	
	Motivate for adequate funding	
	Start replacement programme for vehicles	
	Fill vacancies	
	Establish management structure	
	Motivate for adequate funding	
Component Failure	Quality of products	
Maintenance	Motivate for adequate funding	
Municipal Leadership	Self-respect	
	Motivate employees	
	Life Skills Training	
	Effective training of staff	
	Allocate appropriate budget for training	
Supply Management Chain	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle replacement programme	
	Start replacement programme for vehicles	
	Fill vacancies	
	Establish Vehicle – Use system	

COMMUNITY SERVICES

Who Are Our Stakeholders?

The main stakeholders will be the groupings which the Community Services department have to serve, which will include; towns – as a total service area, whilst wards indicate services to specific wards. It can also be seen that services are also rendered to internal departments in terms of services especially Fire, Rescue and Disaster Management services; nature These services will allow department to indicate the KPIs that will be undertaken.

Stakeholders list;

- Departments
- Wards
- Towns
- State
- Province

What are their Needs - Value Proposition

Referring to the stakeholders above, the needs by department as defined by the Value Proposition Elements defined in the Strategy Map shown in Figure ... on page 114.

Within the Top 5, the value proposition element, in terms of number of responses, that narrowly exceeds those of the other elements, is *Efficient and Effective Service Delivery*. This is followed by *Safety, Responsiveness, Accountability and Compliance*. See Table below for the performance results of the current Value Proposition Dashboard. The performance of the department and municipality should be measured and ideally leaning towards effectiveness and efficient service delivery.

Table Value Proposition

VALUE PROPOSITION	DEPARTMENT
Efficiency & Effectiveness	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning
Safety	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management
Responsiveness	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Accountability	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Compliance	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Quality	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Reliability	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management
Accessibility	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Advice	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Consistency	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Healthy	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Community Services by department and related processes are defined as being at managerial level or higher operational KPI's are thus not included.

Process	KPI Name	Department
OHS	# Injuries on Duty (IOD)	Fire Rescue & Disaster Management Services / Waste Management Section
General Management & Administration	# Customer complaints	Fire Rescue & Disaster Management Services / Waste Management Section / LED / Parks & Recreation
	# Disciplinary Actions	
	# IOD's	
	% Actual vs Planned Training	
Help Desk	Absenteeism	Fire Rescue & Disaster Management Services / Waste Management Section / LED / Parks & Recreation
	# Customer Complaints	
Maintenance of Sidewalks & Open Spaces	% Activities planned that met target objectives and specifications	Parks & Recreation

ROOT CAUSES TO POOR PERFORMANCE

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Cause Category	KPI Name	Department
Ageing Infrastructure	# Customer Complaints	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	% Vehicles / Equipment availability	
	% Vehicle / Equipment Utilisation	
	Cost due to negligence	
	Cost due to vandalism	
	Cost per unit	
Capacity – Equipment & Systems	# Customer complaints	Fire Rescue & Disaster / Parks & Recreation / Waste Management / LED
	% Vehicles / Equipment availability	
	% Vehicle / Equipment Utilisation	
Capacity – Financial	Attendance time %	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	%KPIs that achieved target	
	% Fire Fighters qualified according to job profile	
Capacity – Human Resources	# IOD's	Fire Rescue & Disaster /
Capacity – Knowledge & Skills	Attendance time %	Fire Rescue & Disaster / Parks & Recreation / Waste Management

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Component Safety	% KPIs that achieved target	Fire Rescue & Disaster / Parks & Recreation / Waste Management
Maintenance	# Customer complaints	Parks & Recreation
Municipal Leadership	# Disciplinary actions	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	# IOD's	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	Absenteeism	Fire Rescue & Disaster / Parks & Recreation / Waste Management / LED

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

INITIATIVES TO ADDRESS ROOT CAUSES

Root Cause Category	Initiatives	Department
Capacity - Financial	Council must fund Fire & Rescue Plan	Fire Rescue & Disaster
	Council to fund FRS Master Plan	
	Seek external funding support	
	Embark on vehicle / equipment replacement programme, Start replacement programme for vehicles	
	Fill vacancies	
	Budget & motivate for resources	
	Recruitment of personnel	
	Motivate for adequate funding	
	Employ skilled and developed staff	
	Develop training facilities	
Capacity – Human Resources	Training on OHS	
	Fill available posts	
	Fill available posts	
	Establish management structure	
	Recruitment of personnel	
Capacity – Knowledge & Skills	Obtain sufficient training funding	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	Employ skilled and developed staff	
	Develop training facilities	
	Effective training of staff	
	Fill available posts	
	Motivate for adequate funding	

CORPORATE SERVICES

Who are our stakeholders

Corporate Services have the responsibility to ensure that all within the municipality receive efficient and effective internal support so as to guarantee a satisfied stakeholder base both externally and internally. Without an efficient and effective internal support base it is impossible for the four externally focused directorates to meet their targets. As their primary function is to support NO1, their representation within NO2 will be minimal. The stakeholder groupings that Corporate Services and its departments have to serve are shown below. These stakeholders are for all KPI levels, including operational activities.

Stakeholder List

- Departments
- Community
- Council
- Trade Unions
- Employees
- Line Managers
- South African Local Government Bargaining Council
- Job Applicants
- Department of Labour

What are their Needs - Value Proposition.

Referring to the stakeholders above, the needs by department in relation to the Value Proposition elements as listed below, as was expected the top 5 value propositions are headed by; Support, Accessibility, Efficiency and Effectiveness, Responsiveness, Compliance, Healthy and Accountability.

VALUE PROPOSITION	DEPARTMENT
Efficiency & Effectiveness	Records & Administration / Committees / ICT / HR
Quality	Records & Administration / Committees / ICT / HR
Accountability	Records & Administration / HR
Healthy	Records & Administration / HR
Compliance	Records & Administration / Committees / ICT / HR
Consistency	Records & Administration / HR
Responsiveness	Records & Administration / Committees / ICT / HR
Reliability	Records & Administration / Committees / ICT / HR
Timeliness	Records & Administration / Committees / ICT / HR
Support	ICT / HR
Advice	ICT / HR
Availability	ICT / HR
Affordability	ICT / HR
Alignment	HR
Accessibility	Records & Administration / Committees / ICT

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Corporate Services by department and related processes are defined as being at managerial level and operational KPI's are thus not included.

Process	KPI Name	Department
Employee Wellness	% workforce participating in intervention Absenteeism HIV/AIDS prevalence rate Level of substance usage	HR
IPM	% high achievers % Low Achievers	HR
Labour Relations	# Disciplinary hearings % Disputes resolved % Grievances resolved ESI	HR
OHS	# IOD's	HR
Recruitment & Selection	% High performing staff lost	HR
	Staff turn-over	HR
Training % Development	% Achievement against Workplace Skills Plan (WSP)	HR
	% Projects (Learnerships or skills program) completed that achieved specifications of project	HR

Root Causes to poor performance

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Cause Category	KPI Name	Department
Municipal Leadership	Staff turnover	Human Resources Dept.
	% High performing staff lost	
	HIV/AIDS prevalence rate	
	% Workforce participated in intervention	
	Level of substance usage	
	% Projects completed that achieved specifications of project	
	Absenteeism	
	% Grievances resolved	
	% Disputes resolved	
	% Achievement against WSP	
	# Disciplinary hearings	
	ESI	
Staff Retention	Staff Turnover	Human Resources Dept.
	% High performing staff	
	% Workforce participated in intervention	
	Level of substance abuse	Human Resources Dept.
Capacity – Financial	Level of substance abuse	Human Resources Dept.

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	% Projects completed that achieved specifications of project	Human Resources Dept.
	% Achievement against WSP	Human Resources Dept.
Capacity – Human Resources	% Low Achievers & High Achievers	Human Resources Dept.
Availability & Quality of materials	% projects completed that achieved specifications of project	Human Resources Dept.
Corporate Governance & Risk Management	# IOD's	Human Resources Dept.
Work Quality	% Projects completed that achieved specifications of project	Human Resources Dept.

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

CORPORATE SERVICES INITIATIVES TO ADDRESS ROOT CAUSES

Root Cause Category	Initiatives	Department
Capacity - Financial	Adopt culture of life-long learning	HR
	Acquire funding for subsistence	
	Seek external funding support	
	Ensure all management well-equipped management training	
	Ensure commitment of all stakeholders	
	Budget & motivate for resources	
	Ensure commitment of all line managers	
	Improve quality of service providers	
	Employ skilled and developed staff	
	Liaise directly with SETA National Office	
Municipal Leadership	Motivate for funding	HR
	Training of staff	
	Acquire funding for subsistence	
	Adopt culture of life-long learning	
	Approve scarcity policy	
	Communicate all policies to all stakeholders	
	Create awareness through induction programme	
	Develop and implement effective talent management strategy	
	Education programme for Line Management – Formal Agreement with UFS	
	Ensure commitment of all stakeholders	
	Ensure commitment of all line managers	
	Establish staff motivation programme	
	Implement reward system for excellent performance	
	Implement TASK	
	Improve quality of service providers	
	Incentives for excellent performance	
	Incorporate employee assistance programme – disciplinary	
	Leadership and supervisory training	
	Leadership training – Line Management	
	Start communication programme throughout municipality	
	Training of managers as prosecutors and presiding officers	
	Develop Personnel Development Plan	HR

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Capacity – Human Resources	Develop policy to deal with low achievers	
	Develop reward system	
	Implement reward system	
Corporate Governance & Risk Management	Enforcement of safety standards Unsafe Environment	HR
	Identify hazards and create safe working environment	
Staff Retention	Motivate for funding	HR
	Approve scarcity policy	
	Develop and implement talent management strategy	
	HIV/AIDS policy to be approved	
	Implement and finalise TASK	
	Incentives for excellent performance	
	Start communication program throughout municipality	
	Take action on results of Exit interviews	
Work Quality	Ensure commitment of line managers	HR
	Improve quality of service providers	
	Liaise directly with SETA National Office – Org Needs	

Initiatives to address Root Causes

This is addressed as part of the Performance Improvement Plan and will therefore be dealt with when PIP is finalised and implemented. The Port-folio committees of the different departments will on monthly basis interrogate the implementation and performance hereof together with relevant director and municipal manager.

FINANCIAL SERVICES

Who are our stakeholders

Financial Services is the custodian of the purse and have to ensure that sound financial management and corporate governance procedures are adhered to by all within the municipality. The list below is the main stakeholder groupings that Financial Services and its departments have to serve. These stakeholders are for all the KPI levels; they therefore include the operational level activities.

Stakeholder List

- Departments
- National Treasury
- Province
- Council
- Contractors

What are their Needs - Value Proposition.

Referring to the stakeholders above, Table shows the needs by departments as defined by the Value Proposition Elements defined in the Strategy Map shown in Figure on page 114.

The Top 5 value proposition elements are *Efficient and Effective Service Delivery, Timeliness, Accountability, Compliance and Quality*

VALUE PROPOSITION	DEPARTMENT
Efficiency & Effectiveness	SCM / Revenue / Expenditure / Budget & Planning
Timeliness	SCM / Expenditure / Budget & Planning
Accountability	SCM / Revenue / Budget & Planning
Compliance	SCM / Revenue / Budget & Planning
Quality	SCM / Expenditure
Reliability	Expenditure
Advice	SCM
Consistency	SCM / Revenue
Availability	SCM
Affordability	Expenditure
Responsiveness	SCM

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by Strategic Objective by Department. As KPIs are linked to activities and these form part of processes within the specific departments, these processes have been included and linked to the various objectives. This is done so as to provide more clarity on the performance management hierarchy, as will be discussed in the next paragraph on KPIs.

The Financial Services department KPIs at the managerial and strategic levels and is therefore reflected as such.

Key Performance Indicators

The KPIs of Financial Services by department and related processes are defined as being at managerial level and operational KPI's are thus not included.

Process	KPI Name	Department
Adjudication of Bids	Cycle time	SCM
Credit Control	% of total accounts outstanding	Revenue
Reporting	% Deadlines met	Budget & Planning

Root Causes to poor performance

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Cause Category	KPI Name	Department
Corporate Governance & Risk Management	Cycle Time	SCM / Revenue.
	% Total accounts outstanding	
Capacity – Human Resources	Cycle Time	SCM
Capacity – Knowledge & Skills	Cycle Time	SCM
Compliance	% Deadlines Met	Budget & Planning
IDP	% Deadlines Met	Budget & Planning
Supply Chain Management	Cycle Time	SCM

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

FINANCIAL SERVICES INITIATIVES TO ADDRESS ROOT CAUSES

Root Category	Cause	Initiatives	Department
Corporate Governance & Risk Management		Appoint additional Supply Chain Staff	SCM / REVENUE
		Implement SLAs with departments	
		Payment Incentives	
		Tighten credit control measures	
		Training of SCM staff and departments	
Capacity – Human Resources		Appoint additional SM staff	SCM
Capacity Knowledge & Skills		Training of SCM staff and departments	SCM/REVENUE/BUDGET & PLANNING
Compliance		Set up links between IDP and financial system	
IDP		Set up links between IDP and financial system	
Supply Chain Management	Chain	Implement SLAs with departments	

Initiatives to address Root Causes

This is addressed as part of the Performance Improvement Plan and will therefore be dealt with when PIP is finalised and implemented. Port-folio committees of the different departments will on monthly basis interrogate the implementation and performance hereof together with relevant director and municipal manager.

NATIONAL OBJECTIVE / KEY PERFORMANCE AREA: INFRASTRUCTURE DEVELOPMENT AND BASIC SERVICES

This National Objective / Key Performance Area is aimed at the delivery of infrastructure and basic services to the communities of Ngwathe. The same structure as for the NO / KPA 1 will be used to show what has been put in place by Ngwathe Local Municipality to ensure that infrastructure and service delivery is done in an efficient and effective manner, to the benefit of all Ngwathe communities.

TECHNICAL SERVICES

Who are our stakeholders

The main stakeholders will be the groupings which the Technical Services department have to serve, which will include; towns – as a total service area, whilst wards indicate services to specific wards. It can also be seen that services are also rendered to internal departments in terms of services of a civil works nature. Bulk services also indicate that they see tourists, process activities and downstream users of their services also as stakeholder. These services will allow department to indicate the KPIs that will be undertaken.

Stakeholder List

- Towns
- Wards
- Departments
- Tourists

What are their Needs - Value Proposition

To assist with logic of structure or flow the stakeholder perspective is all about delivery defined as the value-proposition by stakeholders.

VALUE PROPOSITION	DEPARTMENT
Efficiency & Effectiveness	PMU / Water & Sanitation / Electricity / Roads
Reliability	PMU / Water & Sanitation / Electricity
Quality	PMU / Water & Sanitation / Electricity
Healthy	PMU / Water & Sanitation / Electricity
Timeliness	PMU / Water & Sanitation / Electricity
Accountability	PMU / Water & Sanitation / Electricity
Consistency	PMU / Water & Sanitation / Electricity
Responsiveness	PMU / Water & Sanitation / Electricity
Availability	PMU / Water & Sanitation / Electricity
Compliance	PMU / Water & Sanitation / Electricity
Affordability	Water & Sanitation / Electricity
Support	Water & Sanitation

The performance of the department and municipality should be measured and ideally leaning towards effectiveness and efficient service delivery.

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Technical Services by department and related processes are defined as being at managerial level or higher operational KPI's are thus not included

Process	KPI Name	Department
Project Management	% projects completed that achieved specifications of project % projects completed on time % Projects started on time	PMU & Water Services Dept
Distribution Network	% projects completed that achieved specifications of project	PMU / Water / Roads / Electrical Services
Help Desk	# Customer Complaints	PMU / Water/Electrical & Roads Dept.
Maintenance of Sidewalks & Driveways	% Activities planned that met target objectives and specifications	PMU/Water/Electrical & Roads Dept.
Maintenance of vehicles and equipment	Cost due to negligence Cost due to vandalism	PMU/Water/Electrical & Roads Dept.
Metering	% Losses	Water / Electricity Dept.
Road Maintenance	% Activities planned that met target objectives and specifications Cost per unit	Roads Dept.
Storm Water Maintenance	Cost due to vandalism	Water Services / Roads Dept.

ROOT CAUSE FOR POOR PERFORMANCE

Root Cause Category	KPI Name	Department
Ageing Infrastructure & Equipment	% Vehicles / Equipment availability	PMU / Water / Roads / Electrical Services
	Cost due to vandalism	
Capacity – Equipment & Systems	Cost due to vandalism	PMU/Water/Electrical & Roads Dept.
	Reservoir level %	
Capacity – Financial	Cost due to vandalism	PMU / Water & Sanitation / Electrical / Roads
	% activities planned that met target	
	% projects completed that achieved specifications of project	
	% projects started on time	
	% projects completed on time	
Capacity – Human Resources	Cost due to vandalism	PMU / Water & Sanitation / Electrical / Roads
	% Unaccounted water	
	Reservoir level %	
	% projects completed that achieved specifications objectives	
	% projects started on time	
	% projects completed on time	
Component Failure	% Losses	

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Maintenance	# Customer complaints	Water & Sanitation / Electrical / Roads
Municipal Leadership	# Disciplinary actions	PMU / Water & Sanitation / Electrical / Roads
	# IOD's	
	Absenteeism	
Supply Chain Management	Cost due to vandalism	
	% projects completed that achieved specifications objectives	

The above table clearly shows the root causes for poor performance and the KPIs that are negatively affected due to these issues in the directorate and departments.

Initiatives to Address Root Causes

The table below shows the various initiatives that can be initiated by departments to address the root causes of poor performance. These must be prioritised and included in the IDP and action plans for the remainder of term as indicated in the Performance Improvement Plan and Performance Agreement of Director and managers.

Root Cause Category	Initiatives	Department
Capacity - Financial	Motivate for funding	PMU & Water Services Dept
	Improve SCM	PMU / Water / Roads / Electrical Services
	Fill available posts	
	Embark on vehicle / equipment replacement programme, Start replacement programme for vehicles	
	Fill vacancies	
	Budget & motivate for resources	
	Recruitment of personnel	
	Motivate for adequate funding	
	Employ skilled and developed staff	
	Develop Standard Operating Procedure	
	Develop existing staff to become trainers	
	Implement disciplinary code	
	List financial, human, mechanical resource requirements	
	Develop Implementation plan and check-list	
Capacity – Human Resources	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle / equipment replacement programme,	
	Start replacement programme for vehicles	
	Fill available posts	
	Establish management structure	
	Timeous planning	
	Motivate for adequate funding	
	Recruitment of personnel	
	Develop Standard Operating Procedure	
	List financial, human, mechanical resource requirements	
	Obtain sufficient training funding	

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Capacity – Knowledge & Skills	Employ skilled and developed staff	
	Develop training facilities	
	Develop existing staff to become trainers	
	Motivate employees	
	Effective training of staff	
	Allocate appropriate budget for training	
Capacity – Equipment & Systems	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle / equipment replacement programme,	
	Motivate for adequate funding	
Ageing Infrastructure & Equipment	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle / equipment replacement programme,	
	Motivate for adequate funding	
	Start replacement programme for vehicles	
	Fill vacancies	
	Establish management structure	
	Motivate for adequate funding	
Municipal Leadership	Self-respect	
	Motivate employees	
	Life Skills Training	
	Effective training of staff	
	Allocate appropriate budget for training	
Supply Management Chain	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle replacement programme	
	Start replacement programme for vehicles	
	Fill vacancies	
	Establish Vehicle – Use system	

COMMUNITY SERVICES

Who are our stakeholders?

The main stakeholders will be the groupings which the Community Services department have to serve, which will include; towns – as a total service area, whilst wards indicate services to specific wards. It can also be seen that services are also rendered to internal departments in terms of services Fire, Rescue and Disaster Management services. These stakeholders are for all KPI levels as will be reflected below therefore including operational activities.

Stakeholder List

- Towns
- Wards
- Departments
- Applicants
- Provincial departments
- State

What are their Needs - Value Proposition

Referring to the stakeholders above, the needs by department in relation to the Value Proposition elements as listed below, as was expected the top 5 value propositions are headed by; Safety and cleanliness, Effective and efficient service delivery, Quality, Compliance and responsiveness. The needs by department as defined by the Value proposition elements allows department to assess its performance based on feedback received on services it renders.

VALUE PROPOSITION	DEPARTMENT
Safety	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management
Efficiency & Effectiveness	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning
Quality	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Compliance	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Responsiveness	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Accountability	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Accessibility	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Reliability	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management
Advice	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Consistency	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Healthy	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management
Accessibility	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Alignment	Fire & Rescue
Timeliness	Fire & Rescue

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Community Services by department and related processes are defined as being at managerial level or higher operational KPI's are thus not included.

Process	KPI Name	Department
OHS	# Injuries on Duty (IOD)	Fire Rescue & Disaster Management Services / Waste Management Section
General Management & Administration	# Customer complaints	Fire Rescue & Disaster Management Services / Waste Management Section / LED / Parks & Recreation
	# Disciplinary Actions	
	# IOD's	
	% Actual vs Planned Training	
	Absenteeism	
Help Desk	# Customer Complaints	Fire Rescue & Disaster Management Services / Waste Management Section / LED / Parks & Recreation
Maintenance of Sidewalks & Open Spaces	% Activities planned that met target objectives and specifications	Parks & Recreation

ROOT CAUSES TO POOR PERFORMANCE

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Cause Category	KPI Name	Department
Ageing Infrastructure	# Customer Complaints	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	% Vehicles / Equipment availability	Fire Rescue & Disaster / Parks & Recreation / Waste Management / LED
	% Vehicle / Equipment Utilisation	
	Cost due to negligence	
	Cost due to vandalism	
	Cost per unit	
Capacity Equipment & Systems	# Customer complaints	Fire Rescue & Disaster / Parks & Recreation / Waste Management / LED
	% Vehicles / Equipment availability	
	% Vehicle / Equipment Utilisation	
Capacity Financial	Attendance time %	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	%KPIs that achieved target	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	% Fire Fighters qualified according to job profile	Fire Rescue & Disaster /
Capacity – Human Resources	# IOD's	Fire Rescue & Disaster /
Capacity – Knowledge & Skills	Attendance time %	Fire Rescue & Disaster / Parks & Recreation / Waste Management
Component Safety	% KPIs that achieved target	Fire Rescue & Disaster / Parks & Recreation / Waste Management

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Maintenance	# Customer complaints	Parks & Recreation
Municipal Leadership	# Disciplinary actions	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	# IOD's	Fire Rescue & Disaster / Parks & Recreation / Waste Management
	Absenteeism	Fire Rescue & Disaster / Parks & Recreation / Waste Management / LED

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

INITIATIVES TO ADDRESS ROOT CAUSES

Root Category	Cause	Initiatives	Department
Capacity Financial	-	Council must fund Fire & Rescue Plan	Fire Rescue & Disaster
		Council to fund FRS Master Plan	
		Seek external funding support	
		Embark on vehicle / equipment replacement programme, Start replacement programme for vehicles	
		Fill vacancies	
		Budget & motivate for resources	
		Recruitment of personnel	
		Motivate for adequate funding	
		Employ skilled and developed staff	
		Develop training facilities	
Capacity – Human Resources		Training on OHS	Fire Rescue & Disaster / Parks & Recreation / Waste Management
		Fill available posts	
		Fill available posts	
		Establish management structure	
		Recruitment of personnel	
Capacity Knowledge Skills	-	Obtain sufficient training funding	Fire Rescue & Disaster / Parks & Recreation / Waste Management
		Employ skilled and developed staff	Fire Rescue & Disaster / Parks & Recreation / Waste Management
		Develop training facilities	Fire Rescue & Disaster / Parks & Recreation / Waste Management
		Effective training of staff	Fire Rescue & Disaster / Parks & Recreation / Waste Management
		Fill available posts	Fire Rescue & Disaster / Parks & Recreation / Waste Management /
		Motivate for adequate funding	Fire Rescue & Disaster / Parks & Recreation / Waste Management

Note! Root Causes to poor performance and Initiatives to address Root Causes

This is addressed as part of the Performance Improvement Plan and will therefore be dealt with when PIP is finalised and implemented. The Port-folio committees of the different departments will on monthly basis interrogate the implementation and performance hereof together with relevant director and municipal manager.

CORPORATE SERVICES

Who are our stakeholders?

Corporate Services have the responsibility to ensure that all within the municipality receive efficient and effective internal support so as to guarantee a satisfied stakeholder base both externally and internally. Without an efficient and effective internal support base it is impossible for the four externally focused directorates to meet their targets. As their primary function is to support NO1, their representation within NO2 will be minimal. The stakeholder groupings that Corporate Services and its departments have to serve are shown below. These stakeholders are for all KPI levels, including operational activities.

Stakeholder List

- Departments
- Community
- Council
- Trade Unions
- Employees

What are their Needs - Value Proposition.

Referring to the stakeholders above, the needs by department in relation to the Value Proposition elements as listed below, as was expected the top 5 value propositions are headed by; Support, Accessibility, Efficiency and Effectiveness, Responsiveness, Compliance, Healthy and Accountability.

VALUE PROPOSITION	DEPARTMENT
Support	ICT / HR
Accessibility	Records & Administration / Committees / ICT
Efficiency & Effectiveness	Records & Administration / Committees / ICT / HR
Responsiveness	Records & Administration / Committees / ICT / HR
Compliance	Records & Administration / Committees / ICT / HR
Accountability	Records & Administration / HR
Healthy	Records & Administration / HR

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Corporate Services by department and related processes are defined as being at managerial level and operational KPI's are thus not included.

Process	KPI Name	Department
Employee Wellness	% workforce participating in intervention Absenteeism HIV/AIDS prevalence rate Level of substance usage	HR
IPM	% high achievers	HR

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	% Low Achievers	
Labour Relations	# Disciplinary hearings % Disputes resolved % Grievances resolved ESI	HR
OHS	# IOD's	HR
Recruitment & Selection	% High performing staff lost	HR
	Staff turn-over	HR
Training % Development	% Achievement against Workplace Skills Plan (WSP)	HR
	% Projects (Learnerships or skills program) completed that achieved specifications of project	HR

Root Causes to poor performance

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Cause Category	KPI Name	Department
Municipal Leadership	Staff turnover	HR
	% High performing staff lost	
	HIV/AIDS prevalence rate	
	% Workforce participated in intervention	
	Level of substance usage	
	% Projects completed that achieved specifications of project	
	Absenteeism	
	% Grievances resolved	
	% Disputes resolved	
	% Achievement against WSP	
	# Disciplinary hearings	
	ESI	
Staff Retention	Staff Turnover	HR
	% High performing staff	
	% Workforce participated in intervention	
	Level of substance abuse	HR
Capacity – Financial	Level of substance abuse	HR
	% Projects completed that achieved specifications of project	HR
	% Achievement against WSP	HR
Capacity – Human Resources	% Low Achievers	HR
	& High Achievers	HR
Availability & Quality of materials	% projects completed that achieved specifications of project	HR
Corporate Governance & Risk Management	# IOD's	HR
Work Quality	% Projects completed that achieved specifications of project	HR

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

CORPORATE SERVICES INITIATIVES TO ADDRESS ROOT CAUSES

Root Cause Category	Initiatives	Department
Capacity – Knowledge & Skills	Acquire help desk system	HR
	Appoint personnel to service in all three languages	
	Customer service training for help desk and frontline staff	
	Find appropriate help-desk space	
Capacity – Equipment & Systems	Acquire help desk system	HR
	Appoint personnel to service in all three languages	
	Customer service training for help desk and frontline staff	
	Find appropriate help-desk space	
Capacity – Facilities	Acquire help desk system	HR
	Appoint personnel to service in all three languages	
	Customer service training for help desk and frontline staff	
	Find appropriate help-desk space	
Communication	Acquire help desk system	HR
	Appoint personnel to service in all three languages	
	Customer service training for help desk and frontline staff	

Initiatives to address Root Causes

This is addressed as part of the Performance Improvement Plan and will therefore be dealt with when PIP is finalised and implemented. The Port-folio committees of the different departments will on monthly basis interrogate the implementation and performance hereof together with relevant director and municipal manager.

NATIONAL OBJECTIVE / KEY PERFORMANCE AREA 5: GOOD GOVERNANCE AND PUBLIC PARTICIPATION

National objective 5 is there to ensure that practices of good governance are adhered to and that public participation is actively pursued so as to ensure a total understanding of the needs of communities. This section will cover; stakeholders and their needs, strategic objectives of directorates and departments, KPIs linked to processes, root causes of poor performance and the initiatives that will be put in place to address root causes

TECHNICAL SERVICES

Who are our stakeholders

The main stakeholders will be the groupings which the Technical Services department have to serve, which will include; towns – as a total service area, whilst wards indicate services to specific wards. It can also be seen that services are also rendered to internal departments in terms of services of a civil works nature. Bulk services also indicate that they see tourists, process activities and downstream users of their services also as stakeholder. These services will allow department to indicate the KPIs that will be undertaken.

Stakeholder List

- Towns
- Wards
- Departments
- Tourists

What are their Needs - Value Proposition

To assist with logic of structure or flow the stakeholder perspective is all about delivery defined as the value-proposition by stakeholders.

The value proposition element that in terms of internal analysis and public feedback exceeds those of other elements is Efficient and Effective Service Delivery, followed by Quality Service, Timeliness or On-Time delivery, Reliability and Accountability.

VALUE PROPOSITION	DEPARTMENT
Efficiency & Effectiveness	PMU / Water & Sanitation / Electrical
Quality	PMU
Availability	Water & Sanitation
Healthy	Water & Sanitation
Compliance	PMU
Consistency	PMU
Accountability	PMU
Reliability	Water & Sanitation / Electrical
Timeliness	Water & Sanitation / Electrical

The performance of the department and municipality should be measured and ideally leaning towards effectiveness and efficient service delivery.

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Technical Services by department and related processes are defined as being at managerial level or higher operational KPI's are thus not included

Process	KPI Name	Department
Engineering	% Compliance to Master Plan	PMU / Water % Sanitation Services / Electrical Depts.

ROOT CAUSE FOR POOR PERFORMANCE

Root Cause Category	KPI Name	Department
Capacity - Facilities	% Actual vs planned - training	Water / Electricity Dept.
Capacity – Financial	% Compliance to National & Provincial policy	Water & Sanitation
	% Compliance to Master Plan	Water & Sanitation
Capacity – Human Resources	% Compliance to National & Provincial policy	Water & Sanitation
	% Compliance to Master Plan	Water & Sanitation
Capacity – Knowledge & Skills	% Compliance to National & Provincial policy	Water & Sanitation
Compliance	% Compliance to National & Provincial policy	Water & Sanitation

The above table clearly shows the root causes for poor performance and the KPIs that are negatively affected due to these issues in the directorate and departments.

Initiatives to Address Root Causes

The table below shows the various initiatives identified by departments to address the root causes of poor performance. These must be prioritised and included in the IDP and action plans for the remainder of term as indicated in the Performance Improvement Plan and Performance Agreement of Director and managers.

Root Cause Category	Initiatives	Department
Capacity - Financial	Motivate for funding	PMU & Water Services Dept
	Improve SCM	PMU / Water / Roads / Electrical Services
	Fill available posts	
	Embark on vehicle / equipment replacement programme, Start replacement programme for vehicles	
	Acquire personnel and equipment	
	Timeous planning	
	Recruitment of personnel	
Capacity – Human Resources	Motivate for funding	Water & Sanitation
	Improve SCM	Water & Sanitation

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	Fill available posts	Water & Sanitation
	Embark on vehicle / equipment replacement programme,	Water & Sanitation
	Acquire personnel and equipment	Water & Sanitation
	Establish management structure	Water & Sanitation
	Timeous planning	Water & Sanitation
	Motivate for adequate funding	Water & Sanitation
	Recruitment of personnel	Water & Sanitation
Capacity – Knowledge & Skills	Appoint qualified staff	Water & Sanitation
Capacity – Equipment & Systems	Motivate for funding	Water & Sanitation / Electrical Services / Roads
Ageing Infrastructure & Equipment	Motivate for funding	
	Improve SCM	
	Fill available posts	
	Embark on vehicle / equipment replacement programme,	
Supply Chain Management	Motivate for funding	Water & Sanitation / Electrical
	Improve SCM	
	Fill available posts	
	Embark on vehicle replacement programme	

COMMUNITY SERVICES

Who are our stakeholders

The main stakeholders will be the groupings which the Community Services department have to serve, which will include; towns – as a total service area, whilst wards indicate services to specific wards. It can also be seen that services are also rendered to internal departments in terms of services Fire, Rescue and Disaster Management services. These stakeholders are for all KPI levels as will be reflected below therefore including operational activities.

Stakeholder List

- Towns
- Wards
- Departments

What are their Needs - Value Proposition

Referring to the stakeholders above, the needs by department in relation to the Value Proposition elements as listed below, as was expected the top 5 value propositions are headed by; Safety and cleanliness, Effective and efficient service delivery, Quality, Compliance and responsiveness. The needs by department as defined by the Value proposition elements allows department to assess its performance based on feedback received on services it renders.

VALUE PROPOSITION	DEPARTMENT
Efficiency & Effectiveness	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning
Safety	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management
Quality	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Compliance	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Responsiveness	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Advice	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Accountability	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management / Town Planning / LED
Healthy	Fire Rescue & Disaster Services / Parks & Recreation / Waste Management
Alignment	Fire & Rescue / Town Planning

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Community Services by department and related processes are defined as being at managerial level or higher operational KPI's are thus not included.

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Process	KPI Name	Department
OHS	% Compliance to OHS Act & NFPA standard	Fire Rescue & Disaster Management Services / Waste Management Section
General Management & Administration	% Compliance to SANS 10090	Fire Rescue & Disaster Management Services

ROOT CAUSES TO POOR PERFORMANCE

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Category	Cause	KPI Name	Department
Capacity Financial	-	% Compliance to SANS	Fire Rescue & Disaster
		% Compliance to OHS Act & NFPA Standard	Fire Rescue & Disaster

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

INITIATIVES TO ADDRESS ROOT CAUSES

Root Category	Cause	Initiatives	Department
Capacity Financial	-	Council must fund Fire & Rescue Plan	Fire Rescue & Disaster
		Improve Efficiency & Effectiveness of Current Resources (Maximise Value)	
		Maintain current resources	
		Source external funding (Public & Private) Strengthen current partnership & seek new ones	

Note! Root Causes to poor performance and Initiatives to address Root Causes

This is addressed as part of the Performance Improvement Plan and will therefore be dealt with when PIP is finalised and implemented. The Port-folio committees of the different departments will on monthly basis interrogate the implementation and performance hereof together with relevant director and municipal manager.

CORPORATE SERVICES

Who are our stakeholders?

Corporate Services have the responsibility to ensure that all within the municipality receive efficient and effective internal support so as to guarantee a satisfied stakeholder base both externally and internally. Without an efficient and effective internal support base it is impossible for the four externally focused directorates to meet their targets. As their primary function is to support NO1, their representation within NO2 will be minimal. The stakeholder groupings that Corporate Services and its departments have to serve are shown below. These stakeholders are for all KPI levels, including operational activities.

Stakeholder List

- Departments
- Community
- Council
- Trade Unions
- Employees
- External

What are their Needs - Value Proposition.

Referring to the stakeholders above, the needs by department in relation to the Value Proposition elements as listed below, as was expected the top 5 value propositions are headed by; accountability and compliance, followed by safety, Efficiency and Effectiveness.

VALUE PROPOSITION	DEPARTMENT
Accountability	Records & Administration / HR
Compliance	Records & Administration / Committees / ICT / HR
Safety	Records & Administration / HR
Efficiency & Effectiveness	Records & Administration / Committees / ICT / HR
Alignment	HR / ICT
Responsiveness	Records & Administration / Committees / ICT / HR
Reliability	ICT
Availability	ICT
Quality	IICT

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by strategic objectives and KPI by department will indicate the number of activities that forms part of processes within specific departments, these processes are normally linked to specific objectives.

Key Performance Indicators

The KPIs of Corporate Services by department and related processes are defined as being at managerial level and operational KPI's are thus not included.

Process	KPI Name	Department
Equity & Diversity	% EE programmes achieved	HR
IPM	% Compliance with EE targets	HR
Protection Services	Losses # security transgressions	Protection Services
Information Systems	% Compliance	ICT

Root Causes to poor performance

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Cause Category	KPI Name	Department
Compliance	% Compliance with EE targets	HR
	% EE programmes achieved	
Information Systems	# Security transgressions	Protection services
	Losses	
Capacity – Financial	& Compliance with EE targets	HR
Capacity – Human Resources	% Compliance	HR
Corporate Governance & Risk Management	Losses	Protections Services
Capacity – Knowledge & Skills	% Compliance with EE targets	HR

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

CORPORATE SERVICES INITIATIVES TO ADDRESS ROOT CAUSES

Root Cause Category	Initiatives	Department
Compliance	Motivate for funding	HR
	Embark on internal development programme w.r.t. scarce skills	
	Identify EE programmes	
	Increase effort to target women w.r.t. recruitment	
	Scarce skills incentives – incorporate into policy	
Capacity - Financial	Motivate for funding	HR
	Embark on internal development programme w.r.t. scarce skills	
	Increase effort to target women w.r.t. recruitment	
	Scarce skills incentives – incorporate into policy	
Capacity – Human Resources	Employ additional staff	HR
	Research Best Practices and decide on standard to comply with	
Corporate Governance & Risk Management	Design more secure non-predictive pick-up cycle	HR
Ineffective Systems	Evaluate security systems and implement optimal solutions	HR

FINANCIAL SERVICES

Who are our stakeholders

Financial Services is the custodian of the purse and have to ensure that sound financial management and corporate governance procedures are adhered to by all within the municipality. The list below is the main stakeholder groupings that Financial Services and its departments have to serve. These stakeholders are for all the KPI levels; they therefore include the operational level activities.

Stakeholder List

- Departments
- National Treasury
- Province
- Council
- Contractors
- Auditor General

What are their Needs - Value Proposition.

Referring to the stakeholders above, Table shows the needs by departments as defined by the Value Proposition Elements defined in the Strategy Map shown in Figure on page 114.

The Top 5 value proposition elements are Compliance followed by Accountability, Quality, *Efficient and Effectiveness*, *Responsiveness* and *Alignment*.

VALUE PROPOSITION	DEPARTMENT
Compliance	SCM / Revenue / Budget & Planning
Accountability	SCM / Revenue / Budget & Planning
Quality	SCM / Expenditure
Efficiency & Effectiveness	SCM / Revenue / Expenditure / Budget & Planning
Responsiveness	SCM
Alignment	SCM / Expenditure / Budget & Planning

Strategic Objectives and Key Performance Indicators

The performance management hierarchy by Strategic Objective by Department. As KPIs are linked to activities and these form part of processes within the specific departments, these processes have been included and linked to the various objectives. This is done so as to provide more clarity on the performance management hierarchy, as will be discussed in the next paragraph on KPIs.

The Financial Services department KPIs at the managerial and strategic levels and is therefore reflected as such.

Key Performance Indicators

The KPIs of Financial Services by department and related processes are defined as being at managerial level and operational KPI's are thus not included.

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Process	KPI Name	Department
Annual Financial Statements	% Compliance	Budget & Planning
Supply Chain Administration	% value awarded to BBEEE	SCM

Root Causes to poor performance

Table below, shows the root causes of poor performance and the KPIs that are negatively affected due to these issues in the directorate and its departments.

Root Cause Category	KPI Name	Department
Corporate Governance & Risk Management	% Compliance	Budget & Planning
Capacity – Knowledge & Skills	% Compliance	Budget & Planning
Compliance	% value awarded to BBEEE	SCM

Note! This is addressed as part of the Performance Improvement Plan and will therefore be dealt with in detail when PIP is finalised and implemented.

FINANCIAL SERVICES INITIATIVES TO ADDRESS ROOT CAUSES

Root Cause Category	Initiatives	Department
Corporate Governance & Risk Management	Appointment of specialists	Budget & Planning
	Training of finance personnel	
Capacity – Knowledge & Skills	Training of finance personnel	SCM / REVENUE / BUDGET & PLANNING
Compliance	Increase communication and invitations to BBEEE companies	

SECTION I

National Objectives / Key Performance Areas, Strategies and Programmes

National Objective / Key Performance Area

1 – Municipal Transformation and Institutional Development

INTRODUCTION

National Objective 1 is all about efficient and effective execution through people. It is represented by the Process and Learning and Growth perspectives of the BSC. The associated strategic objectives are also shown. The “People” theme is currently one of the most important themes driving organizations today. There is a strong realization that nothing can be achieved without people being centrally and actively involved. The effort and commitment they put into any initiative have a direct effect on the outcome.

National Objective 1, within the context of our institution is all about people and especially the employees of the Ngwathe Municipality – their well-being and performance.

The general employee mood, response and attendance show that the internal “health” of the organization is not that sound so as to ensure an efficient and effective public service. Morale is low and much has to be done to improve our service delivery quality and response rate. The “People” aspect is therefore far from optimal and the leadership of Ngwathe municipality have, through the strategic management and must through the IDP process commit themselves to the improvement of the internal health of the organization – *a value commitment or commitment reflecting in our mission may bring about a different response as per departmental plans.*

It is every manager’s responsibility to ensure that a healthy internal climate is established, however this chapter focuses largely on Corporate Services, which includes the Office of the Municipal Manager, and how they must ensure that a healthy internal climate is created. Business plans hereon must be developed and included in the IDP Review 2018/19.

The following section must address:

- Internal Corporate Support – Administrative Services
- ICT Support
- Human Resources Management
- Logistic Services

ADMINISTRATIVE SERVICES

Introduction and Current Reality

The Mission Statement of the present Corporate Support Department (will change to Administrative Services Department when the proposed organogram is approved) is as follows:

Efficient and effective administrative and corporate support service through: -

- electronic record management, communication management and record keeping, storage, archiving, messenger, postal and reprographic services; meeting administration and logistics;
- resolution capturing, notification for implementation;
- typing and relief secretary and switchboard services;
- regular Corporate Services Directorate Management Meetings;
- liaison between the Municipal Manager, the Directors / Directorates and Councillors; competent and satisfied personnel.

The Department reports directly to the Director: Corporate Services who in turn reports to the Municipal Manager. *See Organisational Structure for complete overview of the department.*

STRATEGIES and ACTIONS

The Department's Registry Office records all filing manually, with no clear Records and Communication Management system. All physical documents and files are circulated and records manually distributed to officials via physical filing system. The Contract Management (lease agreements, encroachment agreements, project contracts, etc. processed manually) and Committee Management (all Council's Committees, Mayoral Committee and Council meetings processed manually). This department/section remains under-staffed and under capacitated, with a foreseen review of the system may address capacity challenges.

The biggest concern is whether the Registry Office do meet Provincial and National requirements in terms of safe and secure storage - correspondence files, property files and miscellaneous documentation are not stored in one proper storage facility. Office accommodation and storage is fragmented and very limited. A full risk assessment in respect of the Registry Office must be conducted during the 2018 / 2019 financial year.

INFORMATION, COMMUNICATION AND TECHNOLOGY (ICT)

The ICT department's function is to provide hardware and software support, to install new equipment and networks and to provide training.

Ngwathe Municipality has approximately 200 workstations, the majority of which are in and around Parys. The four towns, Parys, Vredefort, Heilbron and Koppies, are all situated along the N1 with Edenville being the furthest from the N1 highway of the four towns. Edenville is 145 km West of Parys, Vredefort is 15 km and Heilbron is 96 km East of Parys. When an ICT staff member visits Edenville that person is unavailable for at least 4 hours of the day. In Parys the municipal offices are spread over a large area. These distances make the physical support of the ICT Support Officers to its clients very difficult.

The ICT clients (users on the network) very often are not accomplished computer users and are often in need of help. The staff compliment is far too small for what has to be done. Budgetary constraints make matters even worse as there is, more often than not, insufficient funds for approving and appointing staff in vacant positions. Being short of staff makes it extremely difficult to attend to all the matters at hand. A larger

staff complement however poses a problem of accommodation. The current premises are already too small for the current staff.

Ngwathe Municipality has a number of areas of risk that need to be addressed on an on-going basis. Two major areas are natural disasters like earthquakes and human resources.

As often is the case the human resources risk is primarily due to remuneration packages in the marketplace being better than that of municipal staff.

STRATEGIES AND ACTIONS

Service Provision

To deal with the long distances and nature of the terrain between Parys and the other towns special vehicles must be sourced to transport equipment in and to get to places where attended services are needed.

To provide an effective service to all ICT clients is essential so that they in turn can be effective in serving the public. Achieving that goal is no simple matter as training of ICT staff in the use of the latest software is an on-going matter and means that staff are not available while they are away on training. Workloads simply get larger and larger as time goes on. By preparing ourselves we aim to get to a position where we are able to offer regular training courses to those of our clients who are creating unnecessary workloads because of their lack of expertise.

More staff is ultimately essential for good service delivery and to that end a new complete ICT structure is required. The structure requires a staff complement of 11 of which there are currently only 3 filled positions.

Disaster Protection

Disaster protection, prevention, management and recovery, with risks being very real, actions are in process of implementation or will be implemented in the near future.

Firstly, virtual technology is being used to create an environment where the failure of one server simply means another automatically takes over the workload until the failed server is repaired. The clients would not know that a server has failed.

Secondly, a remote site is envisaged where a backup server will be placed and on which a full copy of all the data will be kept. The data will be updated during the course of every evening.

A constant shortage of funds for training, to purchase much needed equipment and to expand the installed radio network makes matters worse.

In spite of above mentioned facts there is progress. It is often frustrating but we keep at doing

HUMAN RESOURCES MANAGEMENT

Introduction and Current Reality

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The Human Resources Department (HR) consists of the following divisions: *Recruitment and Selection, Human Resources Administration, Labour Relations, Training and Development and Occupational Health and Safety.*

The organisation-wide HR program is focussed on the following;

The municipality has approved the organisational structure in April 2017. At present there are 751 filled positions.

Employment is effected through the organogram that was adopted by Ngwathe Municipal Council on the 26 April 2017. The municipality has budgeted R15 million for filling of vacant positions during the period 2017/18 financial year. Budgeted vacant positions have been advertised and the closing date for the last position advertised is the 15 September 2017. Management is doing all its best to ensure that all recruitment processes are completed and incumbents to all the funded posts which are not filled starts working by the 01 July 2018.

The following Senior Management positions has been filled

1. Municipal Manager
2. CFO
3. Director Technical Services
4. Director Community services

There are two Senior Managers positions which must still be filled namely,

1. Director Corporate Services
2. Director Strategic Planning and Services
3. The position of Director Corporate Services has been advertised and only awaits to be filled but the Director Strategic Planning and Services is a new post which must still be advertised and filled.

In 2017 the municipality has advertised positions and to date the following positions are already filled,

1. Supply Chain Manager
2. Manager Water and Sanitation
3. Communications Manager
4. Manager IDP / PMS

HR POLICIES

The municipality presently has 59 HR policies which must still be reviewed to include amongst others the need to give local people preference when appointment is done. During the Local Labour Forum meeting that was held on the 18 April 2018 it was agreed that the LLF Sub Committees should be re-established to ensure that these policies finds expression in the Human Resource Development Committee for review.

HUMAN RESOURCE DEVELOPMENT AND EMPLOYMENT EQUITY

The municipality has complied with the provision of the Skills Development and Skills Development Levies Act and Employment Equity Act respectively in ensuring that the Workplace Skills Plan and Employment Equity reports are timeously submitted.

CASES AND LITIGATIONS

There are presently two cases at the Labour Court, 1 case at Local Government Bargaining Council set down for Arbitration on the 07 May 2018 at Parys and 1 case set down for condonation and conciliation on the 08 May 2018 in FDDM at Sasolburg.

There are two cases filed against the municipality at the Bloemfontein High Court and 1 in between FF+ and Ngwathe Municipality for Unauthorised, Irregular or Fruitless and Wasteful expenditure and 1 is between Manoto and Ngwathe Municipality, *details hereof are available*.

By laws

The following by-laws are still applicable to the municipality

1. Credit Control and Debt Collection By-Law
2. Informal settlement
3. Control of street vendors, peddlers or Hawkers
4. Electricity Supply
5. Fire and emergency Services

The following by-laws must still be advertised for public participation and be promulgated, Air pollution, Control of animals, Waste Management, Water, Commonages, and Encroachment on property

RECORDS MANAGEMENT

The Archives department of the municipality is still manual and this poses a risk of the fact that if the fire or any disaster may arise that will destroy the hard copies within the office, the municipality does not have any backup of any information that is kept in the Archives department.

OCCUPATIONAL HEALTH AND SAFETY (OHS)

The main challenge with regards to Occupational Health and Safety is the functioning of the main committee. Safety representatives are not established in most of the sections and do not submit reports regularly. They deal with accidents that take place and complete the necessary documentation. Status of Injury On Duty records? Safety Representatives were provided with training but more training is required for line managers and others within the organisation to have a better understanding of Occupational Health and Safety.

Human Resources administration is not well-managed and do not function to it optimal level. The demand for human resources administration and the concomitant enquiries necessitate a better receptionist place for customers.

The new component of performance management which will be residing under training and development has to take performance management to lower levels. That is ensuring that the performance agreements of directors are cascaded to business units and employees further down the hierarchy. HR must source grant funding from Province to train employees below directors on performance management.

Strategies and Actions

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- Review of the Human Resources policies i.e Recruitment and Selection, Employment Equity, Training and Development, Succession planning etc
- Support, empowerment and training of line managers on Human Resources activities relating to them
- Develop a Performance Management System and cascade the KPA of top management to lower levels
- Maintain discipline and a harmonious relationship with the unions
- Ensure the Recruitment and Selection of competent staff
- Ensure the training and Development of staff within the budget

Provide human resources administration to staff

Budget

The importance of a well-structured budget, implemented by well-resourced and capacitated department is a basis from which the efficiency and functionality of a department/section can be determined. Ngwathe municipality, more specific the Corporate services department is the basis from which functionality, effectiveness and efficiency can be determined based on the department program structure and implementation. The municipality continues to struggle informed by capacity and resources (tools) constraints effecting our ability to generate required revenue to stimulate our status as going concern. Municipal and/or community facilities therefore also becomes a challenge as the general conditions of these facilities presents a threat for public use. A complete upgrade of all municipal facilities are required, to generate as much revenue possible amidst this challenging period of limited cash-flow.

The budget below, relates to all activities prioritised for the medium term, as the municipality continues to build on current corrective and new measures of collective employee pride, productivity and culture of efficiency and pride in the service we render. Numerous programs will thus be rolled out over the next three years, focussed on training, customer satisfaction and service, staff discipline and commitment to turning the institution around.

Table 36: Corporate Services Departmental Budget 2018/19

ITEM	AMOUNT	RATIONALE
1. Electronic Clocking System	R1.5m (All 5 towns)	1. Time Management, 2. Discipline, 3. Credible Payroll, 4. Accountability
2. Name tags	R150 000	Enabling staff to be identified with ease by internal and external stakeholders.
3. Partitioning of Parys office foyer	R200 000.00	The office space for some directorates has become virtually unavailable, Currently the Mayor and Speaker's offices are having space that is not commensurate with personnel, that more appointments are on the cards, exacerbate the situation
4. Office furniture for 8 offices	R36 000.00	Providing furniture to the 8 offices to be partitioned
5. Telephone	R3m	Payment of monthly bill
6. New Telephone System	R1m (All 5 towns)	The municipality uses more than one telephone system which is very costly

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7. Completion of the IT Centre	R500 000.00 (Head office)	To meet minimum AG requirements and for proper technological environment within the institution. Mainly to serve as an IT HUB
8. Cleaning Material including toiletries	R2 m	Daily cleaning of all the municipal buildings including – - Offices - Kitchens material - Halls - Resorts, - Plants etc.
9. Legal fees	R4m	Financing, contesting as well as payment of litigations against and by the municipality as well as promulgating bylaws and developing policies
10. Training	R2m	Skills development and bursaries for employees and Councillors
11. Software licences	R300 000.00	Payment of licence software
12. Printing and stationery	R1.5m	Reproduction of Council agendas and other printing services
13. Postal services	R300 000.00	Postage and telegrams for the records management department
14. Employee wellness	R500 000.00	Functions to enable the employees manage their health as well as financial challenges
15. Advertisements	R1.5m	Advertisement of vacant positions as well as Council and its committees
16. Rent Hire	R1.5m	Payment of hired equipment by the municipality from external service providers
17. Office repairs and maintenance	R1.5m (All 5 towns)	All municipal offices repairs and maintenance
18. Fencing of main building	R1.5m	Protection of the building as well as the employees
19. Patching, sealing and painting of the roof of the main office (Head Office)	R500 000.00	The entire roof of the main office is leaking
20. Roofing, Plastering, beam filling, ceiling, painting and electrification of the community hall in Edenville	R500 000.00	The community hall in Edenville was burned four years ago and as a result NG Church hall must be hired every time there are pension pay outs and community meetings
21. Building of the municipal offices in Edenville	R1m	The municipal office in Edenville is at the brink of falling and as a result poses a serious occupational health and safety risk and needs to be destroyed in built as a matter of urgency but it is not budgeted in the current CAPEX.
22. Purchase 8 industrial vacuum cleaners	R400 000.00 (All 5 towns)	Cleaning of carpets and washing of other cloths.

NATIONAL OBJECTIVE / KEY PERFORMANCE AREA 2: INFRASTRUCTURE DEVELOPMENT & BASIC SERVICES

INTRODUCTION

National Objective 2 focuses on key objective that address the *provisioning of basic services and upliftment of communities*. This chapter will therefore be divided into two with the first covering the services rendered by the Directorate of Technical Services and the second for those services rendered by the Directorate Community Development

Services rendered by Directorate Technical Services:

Water & Sanitation Services

Electricity Services

Waste Removal Services

Roads & Storm Water Services

Cemeteries

After a summary of the capital budget for Directorate Technical Services, the following areas will be covered for each service:

Introduction and current reality

Stakeholder needs

Strategies and Actions

Key Performance Indicators

Capital Budget – Technical Services

The Technological services being the custodian of this NO together with Community Services will provide overview on financial requirements for the medium term based on the various services provided by these two lead departments.

Water and Sanitation

Introduction and current reality

OVERALL ASSESSMENT OF NGWATHE LOCAL MUNICIPALITY

Table 37: NLM Water Plants Status

Status of Ngwathe Water Treatment Plants					
Town	Name of Plant	Current usage	Design Capacity	Shortfall/surpluses	Proposed plans
Parys	Parys water works	15 MI/D	25 MI/D	+ 10 MI/D over	
Vredefort	Vredefort Water Plant	5.8 MI/D	3.8 MI/D	- 2 MI/D	To increase the size of the plant through utilizing compact plant method the business plans have been submitted to DWAS and MIG
Heilbron	N/A Rand Water supply	6 MI/D	4 MI/D	- 2 MI/D	To increase the treated water supply from rand water by revising the contract between the municipality and Rand Water
Koppies	Koppies Water Plant	6.2 MI/D	4.5 MI/D	- 1.7 MI/D	To increase the size of the plant through utilizing compact plant method the business plans have been submitted to DWAS and MIG
Edenville	N/A Bore holes	3.2 MI/D	2.7 MI/D	- 0.5 MI/D	To develop a feasibility study for Koppies/ Edenville pipeline

Source: NLM 2017/18-2021/22 Draft IDP

From the 2017/18-2021/22 draft IDP, the following overall assessment has been made:

It seems that Parys has a water supply surplus (this is less than indicated due to significant water losses in the system).

AVAILABLE WATER RESOURCES

PARYS

SOURCES OF WATER

The Parys water system obtains its water entirely from the Vaal River, a surface water resource. No metering information for the abstraction is available, but it is believed that 25MI/d is being abstracted from the WTW. The Water Use License Authorisation for the Parys Water Treatment Works is needed to ascertain how much is authorised to be abstracted at this point. More detail on the state of the WTW can be found in subsequent sections of this report. No records of ground water use have been obtained. Groundwater was used in the past, and new boreholes have been drilled to abstract ground water. There

is one borehole near the Reservoir 4 and this borehole supplies water to Reservoir 2 and neighboring residential areas. The yield capacity of this borehole is not known.

WATER AVAILABILITY FOR THE FUTURE

As can be seen from the previous section, Parys' water demand will not change significantly over the next 20 years at the current growth rate – it will go up approximately 0.25 Ml/d to 6.6 Ml/d. Currently there are no plans for future major industries to be developed in the area or mega projects which could cause an influx of people into the area and increased water use. This information is necessary from the spatial development planners to ascertain the water security. It should be noted that the Vaal River is also a source of water for Johannesburg urban areas. If the capacity of the Vaal remains, according to future projections, water should be available in the long term.

VREDEFORT

SOURCES OF WATER

The main source of water for the town is the Vaal River. The intake works are some 15km from Vredefort town. The Water Treatment Works has a capacity of 3.7Ml/d but is currently delivering about 6Ml/d. The Water Use License Authorisation for the Vredefort Water Treatment Works is needed to ascertain how much is authorised to be abstracted at this point. More detail on the state of the WTW can be found in subsequent sections of this report. No records of ground water use have been obtained.

WATER AVAILABILITY FOR THE FUTURE

As can be seen from the previous section, Vredefort's water demand will not change significantly over the next 20 years at the current growth rate, however it is believed that the Plant is currently 2.2Ml/d under capacity so an upgrade of this system is recommended.

A detailed study of the Vaal River's capacity in future, including anticipated abstraction upstream, needs to be conducted to ensure long term water security. It should be noted that the Vaal River is also a source of water for Johannesburg urban areas. If the capacity of the Vaal remains, according to future projections, water should be available in the long term.

EDENVILLE

SOURCES OF WATER

Currently Edenville does not have a Water Treatment Works. The Town is solely dependent on boreholes as the main water source. The town has 25 boreholes with 19 in operation. Due to low turbidity, chlorination is the only form of treatment that occurs in Edenville Town Water Supply. The water supply is chlorinated at the reservoir.

Dosing measurement are not done and operators use their own judgement to administer chlorine. It was observed that there are no safety showers presents at the dosing points.

WATER AVAILABILITY FOR THE FUTURE

As can be seen from the previous section, Edenville's water demand will not change significantly over the next 20 years at the current grow

KOPPIES

SOURCES OF WATER

The water treatment works are situated just next to Rhinoster River. It is a 4.8 MI WTW and by visual inspection it is in a satisfactory working condition even though it is old and needs refurbishment. There is generally good housekeeping within the WTW. On the day of the site visit, there were no water quality data. Therefore, quality output is unknown. The WTW does not have flood lights and night operations are done by flash lights.

WASTEWATER FLOWS REQUIRED

WATER SUPPLY SERVICE LEVELS

According to the DWS (*Strategic Overview of the Water Sector in South Africa, DWA Directorate: Water Services Planning & Information Version 1.5 - Printed - 27 May 2013*) the following national standards apply for basic household sanitation:

Basic Level

A basic toilet facility is regarded as a toilet which is safe, reliable, environmentally sound and easy to keep clean, provides privacy and protection against the weather, well ventilated, keeps smells to a minimum and prevents the entry and exit of flies and other disease-carrying pests. A basic level of sanitation in South Africa is regarded as a Ventilated Improved Pit Latrine (VIP) which is a “dry” toilet facility. The preferred temporary sanitation solution is a chemical toilet. Bucket toilets are unacceptable.

Higher Levels of Sanitation

There are a number of sanitation options that constitute a higher level of service. These are full waterborne sanitation, septic tanks, soak-aways and urine diversion toilets.

NGWATHE LOCAL MUNICIPALITY LEVELS OF DOMESTIC SANITATION

Within Ngwathe LM the long term goal is to provide all citizens with the same level of service, irrespective of property value or levels of rates and taxes being paid.

The following table provides information on the level of service with respect to sanitation in the municipality:

Table 38: Sanitation Supply Service Levels

Toilet Facility	Percentage
None	1,6%
Flush toilet (connected to sewerage system)	74,5%
Flush toilet (with septic tank)	2,5%
Chemical toilet	0,1%
Pit toilet with ventilation	5,7%
Pit toilet without ventilation	4%
Bucket toilet	10,7%
Other	0,8%

Source: Statistics South Africa-Census 2011

According to the Abbreviated Sanitation Master Plan (2014): there are areas within Ngwathe Municipality that do not have an acceptable level of service of sanitation. Decisions regarding infrastructure development must be made within the framework of the IDP and the available resources. The appropriate service levels should be selected and questions must be asked about affordability and sustainability. Infrastructure development has ongoing cost implications for municipalities and different infrastructure assets can have varying cost implications depending on the level of service. External funding is often available for infrastructure development, but ongoing operating and maintenance costs must be paid from the municipal budget.

Ngwathe LM has a large percentage of indigent citizens who cannot afford to pay for municipal services, such as water or electricity for example. The revenue base is therefore smaller, and different policy options should be considered when deciding on sanitation infrastructure development, for example:

- Basic level of service : VIP toilets
- Intermediate level of service: Flush toilets with septic tanks
- Full level of service : Full waterborne sewerage system.

Since National Government has a pro-poor policy, the poorest should be prioritised when resources are scarce. This also determines the type of infrastructure development the Council is willing to provide, and at what cost.

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Table 39: Capital Projects and Programmes

IDP REF	DEPARTMENT	DESCRIPTION	EFFECT / OUTCOME		2018/19	2019/20	FUNDING SOURCE
<i>E-PN:01</i>	Electricity	Parys Electricity Bulk Supply	new	Strengthened Network and Upgrade	3 000 000	5 000 000	DOE - INEP
<i>W-PN:02</i>	Water	Water Infrastructure Asset Management in Parys	new	Better Water Management	2 500 000		DWS - RBIG
<i>W-PN:03</i>	Water	Water Infrastructure Asset Management in Vredefort	new	Better Water Management	1 500 000		DWS - RBIG
<i>W-PN:04</i>	Water	Water Infrastructure Asset Management in Koppies	new	Better Water Management	1 200 000		DWS - RBIG
<i>W-PN:05</i>	Water	Water Infrastructure Asset Management in Heilbron	new	Better Water Management	2 000 000		DWS - RBIG
<i>W-PN:06</i>	Water	Water Infrastructure Asset Management in Edenville	new	Better Water Management	600 000		DWS - RBIG
<i>W-PN:07</i>	Water	Water Quality Management in Parys	new	Better Quality of Water and eradication of interruptions	2 500 000		DWS - RBIG
<i>W-PN:08</i>	Water	Water Quality Management in Vredefort	new	Better Quality of Water and eradication of interruptions	1 500 000		DWS - RBIG
<i>W-PN:09</i>	Water	Water Quality Management in Koppies	new	Better Quality of Water and eradication of interruptions	1 200 000		DWS - RBIG
<i>W-PN:10</i>	Water	Water Quality Management in Edenville	new	Better Quality of Water and eradication of interruptions	500 000		DWS - RBIG
<i>W-PN:11</i>	Water	Water Demand and Water Conservation in Parys	new	Better Quality of Water and eradication of interruptions	3 500 000		DWS - RBIG
<i>W-PN:12</i>	Water	Water Demand and Water Conservation in Heilbron	new	Better Quality of Water and eradication of interruptions	2 300 000		DWS - RBIG
<i>W-PN:13</i>	Water	Water Demand and Water Conservation in Koppies	new	Better Quality of Water and eradication of interruptions	1 650 000		DWS - RBIG
<i>W-PN:14</i>	Water	Water Demand and Water Conservation in Edenville	new	Better Quality of Water and eradication of interruptions	1 300 000		DWS - RBIG
<i>W-PN:15</i>	Water	Water Demand and Water Conservation in Vredefort	new	Better Quality of Water and eradication of interruptions	1 800 000		DWS - RBIG
<i>W-PN:16</i>	Water	Construction of 10Ml water clear storage at the Parys WTW	new	Better Quantity of Water and reduction of clean water spillages back to the river	8 000 000		DWS - RBIG
<i>W-PN:17</i>	Water	Construction of the new laboratory at the Parys water works	new	Better Quality of Water and eradication of interruptions	3 500 000		DWS - RBIG

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W-PN:18	Water	Edenville Boreholes Monitoring and Assessment	Ongoing	Better Quality of Water and eradication of interruptions	2 000 000		DWS - RBIG
W-PN:19	Water	The Construction of Pump Houses and Equipping of Boreholes in Edenville	Retention	Augment the quantity of water and quality of water	450 000		DWS - RBIG
W-PN:20	Water	Upgrading of Koppies Treatment works	new	Better Quality of Water and eradication of interruptions		15 000 000	DWS - RBIG
W-PN:21	Water	Upgrading of Vredefort Treatment works	new	Better Quality a Water and eradication of interruptions		5 000 000	DWS - RBIG
S-PN:22	Sanitation	Parys Outfall Sewer	Retention	Eradication of spillages, environmental management and Strengthened sewer network	500 000		DWS - WSIG
S-PN:23	Sanitation	Koppies Outfall Sewer	Retention	Eradication of spillages, environmental management and Strengthened sewer network	900 000		DWS - WSIG
W-PN:24	Water	Construction of Parys raw water canal from the river to the water plant	new	Better Quality of Water and eradication of interruptions	5 000 000		DWS-WSIG
W-PN:25	Water	Replacement of filter media , nozzle for 8 filters at the Parys water works	new	Better Quality of Water	1 500 000		DWS-WSIG
W-PN:26	Water	Installation of fencing at Reservoir 3 and 4	new	Better Quality of Water and eradication of interruptions	1 000 000		DWS-WSIG
W-PN:27	Water	Refurbishment of the dosing system at Parys water works	new	Better Quality of Water	2 900 000		DWS-WSIG
W-PN:28	Water	Upgrading of Uplifting pumps at the Parys water works and installation of new electrical panel and pipework	new	Better Quality of Water and eradication of interruptions with electricity	3 800 000		DWS-WSIG
W-PN:29	Water	Installation of bulk and residential water meters in Parys	new	Improved revenue	2 500 000		DWS-WSIG
W-PN:30	Water	Construction of Pre-treatment sysytem in Parys WTW	new	Better Quality of Water and eradication of interruptions	3 300 000		DWS-WSIG
S-PN:31	Sanitation	Upgrading of waste water Treatment works in Heilbron	new	Upgrading of the Treatment works		10 000 000	WSIG
S-PN:32	Sanitation	Refurbishment of waste water Treatment works in Vredefort	new	Refurbishment of the plant		10 000 000	WSIG
RS-PN:33	Roads & Stormwater	Tumahole: Upgrading of 1km paving internal road and storm water channels in Schonkenville (MIS:268924)	new	Improved Access - Bridge Crossing	5 956 060	300 000	MIG
RS-PN:34	Roads & Stormwater	Edenville: Construction of a low level bridge in Ward 18	new	Improved Storm Water Control	679 869	2 715 675	MIG
RS-PN:35	Roads & Stormwater	Tumahole: Upgrading of 1km paving internal road and storm water channels (ward 13) (MIS:268920)	new	Improved Roads Quality and Mobility Access	6 945 482	3 000 000	MIG
RS-PN:36	Roads & Stormwater	Edenville/Ngwathe: Upgrading of 1km paved internal access road and storm water channel in ward 18 (MIS:269131)	new	Improved Roads Quality and Mobility Access	635 540	3 500 000	MIG

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RS-PN:37	Roads & Stormwater	Kwakwatsi: Upgrading of paving access road and storm water channel (2km) at ward 16 and 17 (MIS:270236)	new	Improved Roads Quality and Mobility Access	6 454 008	3 500 000	MIG
RS-PN:38	Roads & Stormwater	Mokwallo: Construction of sports complex phase 2 (MIS:268954)	new	Improved Roads Quality and Mobility Access	1 482 445	3 500 000	MIG
W-PN:39	Water	Vredefort: Installation of residential and bulk water meters	new	Improved Roads Quality and Mobility Access	4 313 469	3 500 000	MIG
W-PN:40	Water	Phiritona: Installation of 1489 residential meters and 45 bulk water meters	new	Better Quality of Water and eradication of interruptions	8 726 785		MIG
	Sports	Koppies Sports Complex	Retention	New Sports Facility	369 935		MIG
W-PN:41	Water	Koppies: Installation of residential and bulk water meters	new	Better Quality of Water and eradication of interruptions	3 104 850		MIG
CC-PN:42	Community Centre	Mbeki Community Centre (Ward 7) Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	500 000		Internal
CC-PN:43	Community Centre	Edenville Community Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	500 000	500 000	Internal
CC-PN:44	Community Centre	Ha -Tjope Heilbron Community Centre (Ward 4)) Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	1 000 000		Internal
CC-PN:45	Community Centre	Koppies Community Centre	new	Decent Venues for Public Participation and other Community Meeting	1 000 000	500 000	Internal
CC-PN:46	Community Centre	Billy Ground -Heilbron Community Centre (Ward 5) Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	1 000 000	500 000	Internal
CC-PN:47	Community Centre	Vredefort Community Centre (Ward 14) Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	1 000 000	500 000	Internal
RS-PN:48	Roads & Storm water	Mokwallo: Paving of internal road 1km (MIS:243846)	old	Improved Roads Quality and Mobility Access	437 358		MIG
SP-PN:49	Sports	Edenville: Construction of sports complex	old	Improved Sports Facilities			MIG
W-PN:50	Water	Vredefort Water Treatment Works -Trident System	old	Improved Water Quality and availability		4 475 000	MIG
E-PN:51	Electricity	Parys: Installation of 8 high mast lights					MIG
E-PN:52	Electricity	Vredefort: Installation of 8 high mast lights					MIG
E-PN:53	Electricity	Koppies: Installation of 8 high mast lights					MIG
E-PN:54	Electricity	Heilbron : Installation of 8 high mast lights					MIG
E-PN:55	Electricity	Ngwathe/Edenville: Installation of 8 high mast lights	old	Improved Lighting			MIG
	Technical Support	Ngwathe PMU	old		2 058 200	2 350 000	
				TOTAL	120 155 561	92 277 000	

NATIONAL OBJECTIVE: MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT

INTRODUCTION AND CURRENT REALITY

National Objective 4 focuses on the financial viability and sustainability of the municipality. With regards to sustainability, money is needed to fund projects and services and *broadening the revenue base* is one of the greatest challenges facing local government today, worldwide. It is here where partnerships are essential as municipalities have realised that it is impossible to achieve their goals with only one partner - Government. To support their initiatives and to ensure service excellence the right people have to be in place supported by the right infrastructure and technology. Furthermore; today more than ever responsible governance is expected of local authorities associated with sound risk management practices so as to further ensure sustainability.

FINANCIAL PLAN

1. Performance Improvement Plan Approach

Departmental vision: To provide financial viability in supporting other departments and leading in achieving a better audit.

2. Key Challenges

Collection of consumer charges is the lifeblood and determines the going-concern status of a municipality. A healthy cash flow is crucial to ensure sustainable service delivery and infrastructure development and preservation.

It is therefore also appropriately prescribed in terms of Section 64 (Revenue Management) of the Municipal Finance Management Act. To increase/improve collections from debtors, it is illogical to commence with collections and demands. A credible, fair and transparent mechanism is necessary. Debt Collection stands at the end of the Income Value Chain and it is therefore important to start at the beginning.

The Municipality has accumulated Debt over the past 6 Years which has kept on accumulating, and today the debt is now a threat to the Municipality.

- The major creditors owed by the Municipality include
 - ✓ Eskom
 - ✓ DWS
 - ✓ SARS
 - ✓ Government Garage
 - ✓ Auditor General
 - ✓ And Other Operational Creditors

The municipality is continuously defaulting on most of its financial obligations for financial reasons. The actual current expenditure of the municipality has exceeded the sum of its actual current revenue plus available surpluses for at least two consecutive financial years; i.e. The Municipality has been operating on deficit for the past 2 years, which has prompted the municipality to operate in a deficit in excess of five per

cent of revenue in the most recent financial year. The Municipality is seriously struggling to pay salaries and operational costs in the absence equitable share grant

This Plan sets out the outcomes of the analysis and engagements and provides a selection of key strategies to be considered in securing the Municipality's ability to meet its financial commitments and obligations to provide sustainable basic services. The approach adopted in the development of the financial recovery plan involved an analysis of relevant documentation to ascertain institutional, financial challenges impacting on the performance and service delivery imperatives of the Municipality.

Most of the previous challenges in 2016/17 has continued in this 2017/18. The approach is either we keep the current situation or do the adhoc changes or prepare a turn the situation around.

- The following are the underlying principles elements of the plan:
 - We are in charge of our own destiny
 - To improve on the current situation
 - It is important that both the political leadership, the community, management and employees should take ownership of the processes.

The cash / cost coverage indicates the Municipality's ability to pay operating / running expenses from unencumbered cash resources. This indicates that the Municipality is extremely exposed due to not being able to pay operating expenditure which could cause service delivery breakdowns.

The fact that the Municipality is not recovering the cost of providing services which indicates that all services were provided at a loss. The Municipality does not determine the costs of delivering the services when determining the tariffs but only apply an escalation factor to the tariffs. Another contributing factor is the low collection rate ranging from 70% in 2013 to a low of 40% in 2018. The budget implementation variances as well as the unauthorised expenditure indicate that the Municipality does not project accurately and do not have controls in place to ensure spending in accordance with the approved budget.

The 2017/18 Mid-Year Budget and Performance assessment outcomes revealed a number of weaknesses needing attention, including asset management, expenditure management, information technology, revenue management and budget implementation. The implementation of corrective measures by the Municipality in addressing identified weakness is critical to assist the Municipality to improve its level of financial management maturity from developmental to control levels whereby financial management systems, processes and procedures are functional and able to support the organisation.

• **Auditor General Findings:**

NLM acknowledge the Qualified Audit opinion (with other matters) from AGSA on the Financial Statement of the Municipality for 2016 – 17 financial year. The Municipality further report that is unconditionally accepted the report of the Auditor General for the financial year ended 30 June 2017

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	MAYOR'S BUDGET				
Vote Number	Department	Description	Budget 2018/19	2020 Budget	2021 Budget
1010230576099MRCZZ11	MAYOR	OC: T&S DOM - ACCOMMODATION	R200 400,00	R200 000,00	R200 000,00
1010230577099MRCZZ11	MAYOR	OC: T&S DOM - DAILY ALLOWANCE	R10 000,00	R11 422,00	R11 000,00
1010230011099MRCZZ11	MAYOR	OC: ADV/PUB/MARK -BURSARIES (NON-EMPLOY)	R1 578 000,00	R1 664 790,00	R1 756 353,45
	MAYOR	CORPORATE MOVEMENT SMME			
1010226060099248ZZ11	MAYOR	OS: CATERING SERV - CORPORATE MOV SMME	R50 000,00	R52 750,00	R55 651,25
1010230573099248ZZ11	MAYOR	OC: TRANSPORT - EVENTS - CORPORATE MOV SMME	R60 400,00	R63 722,00	R67 226,71
1010232360099248ZZ11	MAYOR	INVENT - MAT & SUPP - CORPORATE MOV SMME	R100 000,00	R105 500,00	R111 302,50
	MAYOR	DISABILTY & AGED PROJECTS: DISABILIT			
1010226060099280ZZ11	MAYOR	OS: CATERING SERV - DISABILITY & AGE PRO	R30 000,00	R31 650,00	R33 390,75
1010232360099280ZZ11	MAYOR	INVENT - MAT & SUPP - DISABILITY & AGE P	R50 000,00	R52 750,00	R55 651,25
1010230573099280ZZ11	MAYOR	OC: TRANSPORT - EVENTS - DISABILITY & AG	R50 000,00	R52 750,00	R55 651,25
1010228122099280ZZ11	MAYOR	CONTR: EVENT PROMOTERS - DISABILITY & AG	R27 800,00	R29 329,00	R30 942,10
	MAYOR	DONATION - SPCA	R252 480,00	R266 366,40	R281 016,55
1010232360A99MRCZZ11	MAYOR	INVENT - MAT & SUPP(PROJ DISASTER)	R2 104 000,00	R2 219 720,00	R2 341 804,60
	MAYOR	FREEDOM DAY			
1010226060099381ZZ11	MAYOR	OS: CATERING SERV - FREEDOM DAY	R30 000,00	R31 650,00	R33 390,75
1010228122099381ZZ11	MAYOR	CONTR: EVENT PROMOTERS - FREEDOM DAY	R20 000,00	R21 100,00	R22 260,50
1010230573099381ZZ11	MAYOR	OC: TRANSPORT - EVENTS - FREEDOM DAY	R50 000,00	R52 750,00	R55 651,25
1010232360099381ZZ11	MAYOR	INVENT - MAT & SUPP - FREEDOM DAY	R50 000,00	R52 750,00	R55 651,25
	MAYOR	HIV/AIDS AWARENESS PROGRAMMES			
1010228122099231ZZ11	MAYOR	CONTR: EVENT PROMOTERS - HIV AWARE CAMP	R50 000,00	R52 750,00	R55 651,25
1010232360099231ZZ11	MAYOR	INVENT - MAT & SUPP - HIV AWARE CAMP	R73 000,00	R77 015,00	R81 250,83
1010226060099231ZZ11	MAYOR	OS: CATERING SERV - HIV AWARE CAMP	R70 000,00	R73 850,00	R77 911,75
1010230573099231ZZ11	MAYOR	OC: TRANSPORT - EVENTS - HIV AWARE CAMP	R70 000,00	R73 850,00	R77 911,75
1010230160099MRCZZ11	MAYOR	ENTERTAINMENT MAYOR	R526 000,00	R554 930,00	R585 451,15
	MAYOR	IDP & BUDGET REVISION/PUBLIC PARTICI			

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1010226060099243ZZ11	MAYOR	OS: CATERING SERV - IDP REV / PUBLIC PART	R50 000,00	R52 750,00	R55 651,25
1010230573099243ZZ11	MAYOR	OC: TRANSPORT - EVENTS - IDP REV / PUBLIC PART	R50 000,00	R52 750,00	R55 651,25
1010232360099243ZZ11	MAYOR	INVENT - MAT & SUPP - IDP REV / PUBLIC PART	R50 000,00	R52 750,00	R55 651,25
	MAYOR	MANDELA 67MIN CELEBRATION			
1010226060099383ZZ11	MAYOR	OS: CATERING SERV - MANDELA 67MIN CEL	R80 000,00	R121 958,00	R128 665,69
1010230573099383ZZ11	MAYOR	OC: TRANSPORT - EVENTS - MANDELA 67MIN CEL	R85 600,00	R52 750,00	R55 651,25
1010232360099383ZZ11	MAYOR	INVENT - MAT & SUPP - MANDELA 67MIN CEL	R100 000,00	R105 500,00	R111 302,50
1010228122099383ZZ11	MAYOR	CONTR: EVENT PROMOTERS - MANDELA 67MIN CEL	R50 000,00	R52 750,00	R55 651,25
	MAYOR	MAYORAL INTERVENTION FUND	R1 052 000,00	R1 109 860,00	R1 170 902,30
	MAYOR	MEDIA & COMMUNICATION			
1010228122099590ZZ11	MAYOR	CONTR: EVENT PROMOTERS - MEDIA & COMM	R126 000,00	R132 930,00	R140 241,15
1010230573099590ZZ11	MAYOR	OC: TRANSPORT - EVENTS - MEDIA & COMM	R200 000,00	R211 000,00	R222 605,00
1010232360099590ZZ11	MAYOR	INVENT - MAT & SUPP - MEDIA & COMM	R200 000,00	R211 000,00	R222 605,00
	MAYOR	MINISTERIAL SUPPORT			
1010226060099252ZZ11	MAYOR	OS: CATERING SERV - MIN SUPP	R100 000,00	R105 500,00	R111 302,50
1010230573099252ZZ11	MAYOR	OC: TRANSPORT - EVENTS - MIN SUPP	R100 000,00	R105 500,00	R111 302,50
1010232360099252ZZ11	MAYOR	INVENT - MAT & SUPP - MIN SUPP	R115 600,00	R121 958,00	R128 665,69
	MAYOR	NATIONAL COMMEMORATIVE PROGRAMMES	R1 000 000,00	R1 055 000,00	R1 113 025,00
	MAYOR	NGO'S SUPPORT PROGRAMME			
1010226060099253ZZ11	MAYOR	OS: CATERING SERV - NGOS SUPP PROG	R30 000,00	R31 650,00	R33 390,75
1010230573099253ZZ11	MAYOR	OC: TRANSPORT - EVENTS - NGOS SUPP PROG	R30 000,00	R31 650,00	R33 390,75
1010232360099253ZZ11	MAYOR	INVENT - MAT & SUPP - NGOS SUPP PROG	R45 200,00	R47 686,00	R50 308,73
	MAYOR	NGWATHE MAYORAL SPORTS GAMES			
1010228122099384ZZ11	MAYOR	CONTR: EVENT PROMOTERS - MAYORAL SPORT G	R50 000,00	R52 750,00	R55 651,25
1010226060099384ZZ11	MAYOR	OS: CATERING SERV - MAYORAL SPORT GAMES	R100 000,00	R105 500,00	R111 302,50
1010230573099384ZZ11	MAYOR	OC: TRANSPORT - EVENTS - MAYORAL SPORT G	R150 000,00	R158 250,00	R166 953,75
1010232360099384ZZ11	MAYOR	INVENT - MAT & SUPP - MAYORAL SPORT GAME	R226 000,00	R238 430,00	R251 543,65
	MAYOR	OR TAMBO GAMES			

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1010226060099385ZZ11	MAYOR	OS: CATERING SERV - OR THAMBO GAMES	R100 000,00	R105 500,00	R111 302,50
1010230573099385ZZ11	MAYOR	OC: TRANSPORT - EVENTS - OR THAMBO GAMES	R100 000,00	R105 500,00	R111 302,50
1010232360099385ZZ11	MAYOR	INVENT - MAT & SUPP - OR THAMBO GAMES	R100 000,00	R105 500,00	R111 302,50
1010232360099258ZZ11	MAYOR	POVERTY ALLEVIATION	R526 000,00	R554 930,00	R585 451,15
	MAYOR	POWER BOAT RACING PROGRAMME			
1010232360099532ZZ11	MAYOR	INVENT - MAT & SUPP - POWER BOAT RAC PRO	R115 600,00	R121 958,00	R128 665,69
1010226060099532ZZ11	MAYOR	OS: CATERING SERV - POWER BOAT RAC PROG	R50 000,00	R52 750,00	R55 651,25
1010230573099532ZZ11	MAYOR	OC: TRANSPORT - EVENTS - POWER BOAT RAC	R100 000,00	R105 500,00	R111 302,50
1010228122099532ZZ11	MAYOR	CONTR: EVENT PROMOTERS - POWER BOAT RAC	R50 000,00	R52 750,00	R55 651,25
1010230510099MRCZZ11	MAYOR	OC: REG FEESPROF & REGULATORY BODIES(SALGA)	R2 209 200,00	R2 330 706,00	R2 458 894,83
	MAYOR	SOCIAL ILLS PROGRAMMES (TB, CANCER, DIABETIC, NYAOPE ETC)			
1010226060099261ZZ11	MAYOR	OS: CATERING SERV - SOC PROG TB CANCER D	R100 000,00	R105 500,00	R111 302,50
1010228122099261ZZ11	MAYOR	CONTR: EVT PROMO - SOC PROG TB CANCER DI	R100 000,00	R105 500,00	R111 302,50
1010230573099261ZZ11	MAYOR	OC: TRANSPORT - EVENTS - SOC PROG TB CAN	R150 000,00	R158 250,00	R166 953,75
1010232360099261ZZ11	MAYOR	INVENT - MAT & SUPP - SOC PROG TB CANCER	R150 000,00	R158 250,00	R166 953,75
1010230581099MRCZZ11	MAYOR	OC: T&S DOM TRP - W/OUT OPR OWN TRANSPRT	R100 000,00	R105 500,00	R111 302,50
	MAYOR	TUMAHOLE DAY PROGRAMME			
1010228122099386ZZ11	MAYOR	CONTR: EVENT PROMOTERS - TUMAHOLE DAY	R50 000,00	R52 750,00	R55 651,25
1010230573099386ZZ11	MAYOR	OC: TRANSPORT - EVENTS - TUMAHOLE DAY	R50 000,00	R52 750,00	R55 651,25
1010226060099386ZZ11	MAYOR	OS: CATERING SERV - TUMAHOLE DAY	R50 000,00	R52 750,00	R55 651,25
1010232360099386ZZ11	MAYOR	INVENT - MAT & SUPP - TUMAHOLE DAY	R100 000,00	R105 500,00	R111 302,50
	MAYOR	YOUTH DEVELOPMENT			
1010226060099301ZZ11	MAYOR	OS: CATERING SERV - YOUTH DAY	R500 000,00	R527 500,00	R556 512,50
1010228122099301ZZ11	MAYOR	CONTR: EVENT PROMOTERS - YOUTH DAY	R300 000,00	R316 500,00	R333 907,50
1010232360099301ZZ11	MAYOR	INVENT - MAT & SUPP - YOUTH DAY	R800 000,00	R844 000,00	R890 420,00
1010230573099301ZZ11	MAYOR	OC: TRANSPORT - EVENTS - YOUTH DAY	R400 000,00	R422 000,00	R445 210,00
			R15 643 280,00	R16 493 110,40	R17 388 181,26

	SPEAKERS BUDGET				
Vote Number	Department	Description	Proposed Budget 1819	1920 Draft budget	2021 Draft Budget
	SPEAKER	ACCOMODATION			
1015230576099MRCZZ11	SPEAKER	OC: T&S DOM - ACCOMMODATION	R200 400,00	R211 422,00	R223 050,21
1015230577099MRCZZ11	SPEAKER	OC: T&S DOM - DAILY ALLOWANCE	R10 000,00	R10 550,00	R11 130,25
1015211020099MRCZZ11	SPEAKER	MS: ALL - ACCOMMODATION/TRVL/INCIDENTAL(OFFICIALS)	R84 160,00	R88 788,80	R93 672,18
	SPEAKER	AFRICA DAY CELEBRATIONS			
1015230573099390ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - AFRICA CEL DAY	R20 000,00	R21 100,00	R22 260,50
1015232360099390ZZ11	SPEAKER	INVENT - MAT & SUPP - AFRICA CEL DAY	R10 000,00	R10 550,00	R11 130,25
1015226060099390ZZ11	SPEAKER	OS: CATERING SERV - AFRICA CEL DAY	R10 000,00	R10 550,00	R11 130,25
1015228122099390ZZ11	SPEAKER	CONTR: EVENT PROMOTERS - AFRICA CEL DAY	R10 000,00	R10 550,00	R11 130,25
	SPEAKER	AMON NTEO GAMES			
1015226060099388ZZ11	SPEAKER	OS: CATERING SERV - AMON NTEO GAMAES	R50 000,00	R52 750,00	R55 651,25
1015230573099388ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - AMON NTEO GAMAE	R100 000,00	R105 500,00	R111 302,50
1015232360099388ZZ11	SPEAKER	INVENT - MAT & SUPP - AMON NTEO GAMAES	R50 000,00	R52 750,00	R55 651,25
1015228122099388ZZ11	SPEAKER	CONTR: EVENT PROMOTERS - AMON NTEO GAMAE	R63 000,00	R66 465,00	R70 120,58
	SPEAKER	CAMPAIGNS SUPPORT			
1015226060099250ZZ11	SPEAKER	OS: CATERING SERV - CAMPAIGN SUPP	R20 000,00	R21 100,00	R22 260,50
1015230573099250ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - CAMPAIGN SUPP	R20 000,00	R21 100,00	R22 260,50
1015232360099250ZZ11	SPEAKER	INVENT - MAT & SUPP - CAMPAIGN SUPP	R12 600,00	R13 293,00	R14 024,12
	SPEAKER	COMMUNITY SATISFACTION SURVEY	R250 000,00	R263 750,00	R278 256,25
	SPEAKER	CORPORATE GIFTS	R60 000,00	R63 300,00	R66 781,50
	SPEAKER	COUNCILLORS :SASRIA	R135 000,00	R142 425,00	R150 258,38
	SPEAKER	COUNCILLORS SUPPORT:TRAINING	R0,00	R0,00	R0,00
	SPEAKER	COUNCILLORS WELLNESS PROGRAMME			
1015226060099233ZZ11	SPEAKER	OS: CATERING SERV - COUN WELLNESS PROG	R45 200,00	R47 686,00	R50 308,73
1015232360099233ZZ11	SPEAKER	INVENT - MAT & SUPP - COUN WELLNESS PROG	R10 000,00	R10 550,00	R11 130,25
1015230573099233ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - COUN WELLNESS P	R50 000,00	R52 750,00	R55 651,25

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	SPEAKER	CPF PROJECTS/PROGRAMME			
1015226060099249ZZ11	SPEAKER	OS: CATERING SERV - CPF PROJ/PROG	R20 000,00	R21 100,00	R22 260,50
1015230573099249ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - CPF PROJ/PROG	R20 000,00	R21 100,00	R22 260,50
1015232360099249ZZ11	SPEAKER	INVENT - MAT & SUPP - CPF PROJ/PROG	R12 600,00	R13 293,00	R14 024,12
	SPEAKER	FEZILE DABI MEMORIAL LECTURE			
1015226060099255ZZ11	SPEAKER	OS: CATERING SERV - FEZILE DABI MEM LECT	R15 000,00	R15 825,00	R16 695,38
1015228122099255ZZ11	SPEAKER	CONTR: EVENT PROMOTERS - FEZILE DABI MEM	R10 000,00	R10 550,00	R11 130,25
1015230573099255ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - FEZILE DABI MEM	R20 000,00	R21 100,00	R22 260,50
1015232360099255ZZ11	SPEAKER	INVENT - MAT & SUPP - FEZILE DABI MEM LEC	R7 600,00	R8 018,00	R8 458,99
	SPEAKER	HUMAN RIGHTS DAY			
1015226060099262ZZ11	SPEAKER	OS: CATERING SERV - HUM RIGHTS DAY	R15 000,00	R15 825,00	R16 695,38
1015228122099262ZZ11	SPEAKER	CONTR: EVENT PROMOTERS - HUMAN RIGHTS DA	R10 000,00	R10 550,00	R11 130,25
1015230573099262ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - HUM RIGHTS DAY	R15 000,00	R15 825,00	R16 695,38
1015232360099262ZZ11	SPEAKER	INVENT - MAT & SUPP - HUM RIGHTS DAY	R10 000,00	R10 550,00	R11 130,25
	SPEAKER	ID CAMPAIGN			
1015226060099251ZZ11	SPEAKER	OS: CATERING SERV - ID CAMP	R50 000,00	R52 750,00	R55 651,25
1015230573099251ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - ID CAMP	R57 800,00	R60 979,00	R64 332,85
1015232360099251ZZ11	SPEAKER	INVENT - MAT & SUPP - ID CAMP	R50 000,00	R52 750,00	R55 651,25
1015226030099MRCZZ11	SPEAKER	OS: BURIAL SERVICES	R160 000,00	R168 800,00	R178 084,00
1015230451199MRCZZ11	SPEAKER	OC: PRINTING & PUBLICATIONS (GENERAL)	R36 995,00	R39 029,73	R41 176,36
	SPEAKER	PUBLIC MEETINGS/PARTICIPATION			
1015230573099245ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - PUBLIC PART MEET	R100 000,00	R105 500,00	R111 302,50
1015232360099245ZZ11	SPEAKER	INVENT - MAT & SUPP - PUBLIC PART MEET	R50 000,00	R52 750,00	R55 651,25
1015230160099MRCZZ11	SPEAKER	OC: ENTERTAINMENT - SPEAKER	R126 240,00	R133 183,20	R140 508,28
	SPEAKER	STAKEHOLDER FORUM			
1015226060099263ZZ11	SPEAKER	OS: CATERING SERV - STAKEHOLDER FORUM	R50 000,00	R52 750,00	R55 651,25
1015228122099263ZZ11	SPEAKER	CONTR: EVENT PROMOTERS - STAKEHOLD FORUM	R50 000,00	R52 750,00	R55 651,25
1015230573099263ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - STAKEHOLD FORUM	R50 000,00	R52 750,00	R55 651,25
1015232360099263ZZ11	SPEAKER	INVENT - MAT & SUPP - STAKEHOLD FORUM	R50 000,00	R52 750,00	R55 651,25
	SPEAKER	SUBSISTENCE & TRAVELLING:OFFICIALS	R84 160,00	R88 788,80	R93 672,18

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	SPEAKER	TRAINING COUNCILLORS	R400 000,00	R422 000,00	R445 210,00
	SPEAKER	WARD COMMITTE CAPACITY PROGRAMME			
1015228122099655ZZ11	SPEAKER	CONTR: EVENT PROMOTERS - WARD COMM CAP PROG	R100 000,00	R105 500,00	R111 302,50
1015230573099655ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - WARD COMM CAP PROG	R200 000,00	R211 000,00	R222 605,00
1015232360099655ZZ11	SPEAKER	INVENT - MAT & SUPP - WARD COMM CAP PROG	R128 600,00	R135 673,00	R143 135,02
1015226060099655ZZ11	SPEAKER	OS: CATERING SERV - WARD COMM CAP PROG	R150 000,00	R158 250,00	R166 953,75
	SPEAKER	WARD COMMITTE INDABA			
1015226060099264ZZ11	SPEAKER	OS: CATERING SERV - WARD COMIT INDABA	R100 000,00	R105 500,00	R111 302,50
1015228122099264ZZ11	SPEAKER	CONTR: EVENT PROMOTERS - WARD COMIT INDA	R50 000,00	R52 750,00	R55 651,25
1015230573099264ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - WARD COMI INDAB	R100 000,00	R105 500,00	R111 302,50
1015232360099264ZZ11	SPEAKER	INVENT - MAT & SUPP - WARD COMMIT INDABA	R50 000,00	R52 750,00	R55 651,25
	SPEAKER	WARD IMPACT PROGRAMME			
1015230573099656ZZ11	SPEAKER	OC: TRANSPORT - EVENTS - WARD IMPACT PRO	R57 800,00	R60 979,00	R64 332,85
1015232360099656ZZ11	SPEAKER	INVENT - MAT & SUPP - WARD IMPACT PROG	R50 000,00	R52 750,00	R55 651,25
1015226060099656ZZ11	SPEAKER	OS: CATERING SERV - WARD IMPACT PROG	R50 000,00	R52 750,00	R55 651,25
			R3 717 155,00	R3 921 598,53	R4 137 286,44

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FS203 Ngwathe - Table A2 Budgeted Financial Performance (revenue and expenditure by functional classification)

Functional Classification Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional										
Governance and administration		215 547	302 487	282 667	310 606	297 758	297 758	317 520	325 273	333 452
Executive and council	9	—	—	—	—	—	—	—	—	—
Finance and administration		215 538	302 487	282 667	310 606	297 758	297 758	317 520	325 273	333 452
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		2 118	1 680	2 132	4 618	4 208	4 208	4 324	4 562	4 813
Community and social services	948	854	809	809	1 422	1 242	1 242	4 224	4 456	4 701
Sport and recreation	1 170	826	1 322	1 322	3 193	2 966	2 966	100	105	111
Public safety	—	0	1	1	3	—	—	—	—	—
Housing	—	—	—	—	—	—	—	—	—	—
Health	—	—	—	—	—	—	—	—	—	—
Economic and environmental services		67 310	63 185	78 907	54 608	51 588	51 588	42 701	42 730	42 761
Planning and development	572	494	3 777	3 777	4 530	1 510	1 510	42 701	42 730	42 761
Road transport	66 738	62 692	75 130	75 130	50 078	50 078	50 078	—	—	—
Environmental protection	—	—	—	—	—	—	—	—	—	—
Trading services		230 231	236 178	284 080	404 246	361 314	361 314	422 493	421 780	422 791
Energy sources	127 386	129 396	162 120	162 120	211 995	186 825	186 825	210 062	209 308	210 277
Water management	46 700	51 701	56 825	56 825	89 255	81 359	81 359	107 677	107 691	107 705
Waste water management	29 407	29 091	37 364	37 364	63 947	58 627	58 627	65 690	65 717	65 745
Waste management	26 739	25 990	27 771	27 771	39 049	34 504	34 504	39 064	39 064	39 064
Other	4	18	18	18	170	—	—	200	201	202
Total Revenue - Functional	2	515 224	603 549	647 803	774 248	714 868	714 868	787 237	794 545	804 020
Expenditure - Functional										
Governance and administration		271 340	330 842	375 433	366 300	275 452	275 452	306 463	323 318	341 101
Executive and council		43 513	49 479	58 539	66 151	66 151	66 151	68 006	71 746	75 692
Finance and administration		227 828	281 363	316 895	300 148	209 301	209 301	238 457	251 572	265 408
Internal audit		—	—	—	—	—	—	—	—	—
Community and public safety		55 552	51 103	57 457	76 279	83 583	83 583	70 254	74 118	78 195
Community and social services	33 870	30 415	36 181	36 181	45 411	73 040	73 040	49 458	52 179	55 048
Sport and recreation	13 395	12 981	13 958	13 958	17 752	8 360	8 360	12 469	13 155	13 878
Public safety	7 228	6 510	5 884	5 884	11 532	1 300	1 300	6 661	7 027	7 414
Housing	1 060	1 198	1 434	1 434	1 584	882	882	1 666	1 758	1 854
Health	—	—	—	—	—	—	—	—	—	—
Economic and environmental services		102 489	97 313	102 413	100 715	151 213	151 213	104 848	110 615	116 699
Planning and development	1 297	745	786	786	2 580	3 130	3 130	24 977	26 351	27 800
Road transport	101 192	96 567	101 627	101 627	98 135	148 083	148 083	79 871	84 264	88 898
Environmental protection	—	—	—	—	—	—	—	—	—	—
Trading services		376 421	268 963	291 395	241 197	186 826	186 826	333 315	351 648	370 988
Energy sources	160 832	169 085	202 750	202 750	153 799	130 000	130 000	238 856	251 993	265 852
Water management	45 582	45 262	53 098	53 098	47 052	47 333	47 333	54 645	57 651	60 822
Waste water management	21 600	20 280	24 116	24 116	25 673	8 493	8 493	27 534	29 049	30 647
Waste management	148 408	34 335	11 431	11 431	14 673	1 000	1 000	12 280	12 955	13 668
Other	4	—	297	360	580	—	—	610	644	679
Total Expenditure - Functional	3	805 803	748 517	827 059	785 071	697 073	697 073	815 491	860 343	907 662
Surplus/(Deficit) for the year		(290 579)	(144 968)	(179 256)	(10 823)	17 795	17 795	(28 254)	(65 798)	162 (103 642) e

NGWATHE MUNICIPALITY IDP REVIEW 2018/19

FS203 Ngwathe - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand										
Revenue by Vote	1									
Vote 1 - Executive and Council		9	-	-	-	-	-	-	-	-
Vote 2 - Finance and Admin		215 538	302 487	282 667	310 606	297 758	297 758	317 520	325 273	333 452
Vote 3 - Planning and Development		572	494	3 777	4 530	1 510	1 510	1 537	1 566	1 597
Vote 4 - Community and Social services		948	854	809	1 422	1 242	1 242	4 224	4 456	4 701
Vote 5 - Housing		-	-	-	-	-	-	-	-	-
Vote 6 - Public Safety		197	284	324	3	-	-	-	-	-
Vote 7 - Sports and Recreation		1 170	826	1 322	3 193	2 966	2 966	100	105	111
Vote 8 - Waste Management		26 739	25 990	27 771	39 049	34 504	34 504	-	-	-
Vote 9 - Waste Water Management		29 407	29 091	37 364	63 947	58 627	58 627	-	-	-
Vote 10 - Road Transport		13	-	1	50 078	50 078	50 078	-	-	-
Vote 11 - Water		46 700	51 701	56 825	89 255	81 359	81 359	-	-	-
Vote 12 - Electricity		127 386	129 396	162 120	211 995	186 825	186 825	-	-	-
Vote 13 - Technical Services and PMU		66 529	62 408	74 806	-	-	-	41 164	41 164	41 164
Vote 14 - Airport		18	18	18	170	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	515 224	603 549	647 804	774 248	714 868	714 868	364 544	372 565	381 026
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		43 513	49 479	58 539	66 151	66 151	66 151	68 006	71 746	75 692
Vote 2 - Finance and Admin		227 828	281 363	316 895	300 148	209 301	209 301	238 457	251 572	265 408
Vote 3 - Planning and Development		1 297	745	786	2 580	3 130	3 130	2 662	2 809	2 963
Vote 4 - Community and Social services		33 870	30 415	36 181	45 411	73 040	73 040	49 458	52 179	55 048
Vote 5 - Housing		1 060	1 198	1 434	1 584	882	882	1 666	1 758	1 854
Vote 6 - Public Safety		11 305	10 466	7 103	11 532	1 300	1 300	6 661	7 027	7 414
Vote 7 - Sports and Recreation		13 395	12 981	13 958	17 752	8 360	8 360	12 469	13 155	13 878
Vote 8 - Waste Management		148 408	34 335	11 431	14 673	1 000	1 000	12 280	12 955	13 668
Vote 9 - Waste Water Management		21 600	20 280	24 116	25 673	8 493	8 493	27 534	29 049	30 647
Vote 10 - Road Transport		74 627	70 826	74 806	77 923	33 655	33 655	79 871	84 264	88 898
Vote 11 - Water		45 582	45 262	53 098	47 052	47 333	47 333	54 645	57 651	60 822
Vote 12 - Electricity		160 832	169 085	202 750	153 799	130 000	130 000	238 856	251 993	265 852
Vote 13 - Technical Services and PMU		22 488	21 785	25 601	20 212	114 428	114 428	22 315	23 542	24 837
Vote 14 - Airport		-	297	360	580	-	-	610	644	679
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	805 803	748 517	827 059	785 071	697 073	697 073	815 491	860 343	907 662
Surplus/(Deficit) for the year	2	(290 579)	(144 968)	(179 255)	(10 823)	17 795	17 795	(450 947)	(487 778)	163 526 636)

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FS203 Ngwathe - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue By Source											
Property rates	2	59 639	64 481	76 797	84 461	83 018	83 018	83 018	87 335	89 276	94 275
Service charges - electricity revenue	2	121 262	126 031	146 092	197 280	175 405	175 405	175 405	204 732	208 525	220 202
Service charges - water revenue	2	46 688	51 685	56 811	73 962	65 137	65 137	65 137	69 424	78 178	82 556
Service charges - sanitation revenue	2	29 399	29 082	31 246	43 698	38 165	38 165	38 165	45 205	46 189	48 775
Service charges - refuse revenue	2	26 739	25 990	27 771	39 049	34 504	34 504	34 504	39 064	41 275	43 586
Service charges - other						–	–	–			
Rental of facilities and equipment		1 434	1 009	1 452	3 707	3 170	3 170	3 170	3 440	3 918	4 138
Interest earned - external investments		756	1 998	1 522	1 400	1 400	1 400	1 400	1 473	1 480	1 563
Interest earned - outstanding debtors		34 015	33 865	43 597	6 384	48 611	48 611	48 611	51 138	6 748	7 126
Dividends received		16	2	–	–	–	–	–			
Fines, penalties and forfeits		906	763	1 339	1 800	1 000	1 000	1 000	1 052	1 903	2 009
Licences and permits		–	–	–	–	–	–	–			
Agency services		–	–	–	–	–	–	–			
Transfers and subsidies		118 934	190 055	173 559	169 751	169 751	169 751	169 751	194 555	182 600	194 728
Other revenue	2	2 050	1 696	1 922	62 678	4 630	4 630	4 630	5 655	60 737	62 960
Gains on disposal of PPE											
Total Revenue (excluding capital transfers and contributions)		441 838	526 657	562 107	684 170	624 790	624 790	624 790	703 073	720 827	761 917
Expenditure By Type											
Employee related costs	2	179 108	183 643	186 764	204 626	204 626	204 626	204 626	218 950	234 277	250 676
Remuneration of councillors		10 711	11 479	11 443	13 300	13 300	13 300	13 300	14 486	15 283	16 123
Debt impairment	3	52 334	26 847	117 282	92 179	68 191	68 191	68 191	71 737	97 433	102 890
Depreciation & asset impairment	2	108 133	154 076	66 235	65 550	65 550	65 550	65 550	68 959	69 286	73 166
Finance charges		58 711	81 100	106 580	104 850	200	200	200	210	221	233
Bulk purchases	2	162 495	181 520	212 136	156 900	162 900	162 900	162 900	248 350	262 009	276 420
Other materials	8	27 739	10 048	25 643	23 646	26 186	26 186	26 186	27 848	28 825	30 410
Contracted services		2 536	1 360	1 920	22 233	20 233	20 233	20 233	31 628	23 501	24 817
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–
Other expenditure	4, 5	202 922	98 445	97 933	101 785	137 289	137 289	137 289	153 538	103 266	108 995
Loss on disposal of PPE		1 113		1 123							
Total Expenditure		805 803	748 517	827 059	785 071	698 477	698 477	698 477	835 706	834 101	883 729
Surplus/(Deficit)		(363 965)	(221 860)	(264 952)	(100 901)	(73 687)	(73 687)	(73 687)	(132 633)	(113 274)	(121 812)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		73 386	76 892	63 035	90 078	119 048	119 048	119 048	102 164	110 811	123 102
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Transfers and subsidies - capital (in-kind - all)	6	–	–	–	–	–	–	–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(290 579)	(144 968)	(201 916)	(10 823)	45 361	45 361	45 361	(30 469)	(2 463)	1 290
Taxation											
Surplus/(Deficit) after taxation		(290 579)	(144 968)	(201 916)	(10 823)	45 361	45 361	45 361	(30 469)	(2 463)	1 290
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		(290 579)	(144 968)	(201 916)	(10 823)	45 361	45 361	45 361	(30 469)	(2 463)	1 290
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		(290 579)	(144 968)	(201 916)	(10 823)	45 361	45 361	45 361	(30 469)	(2 463)	1 290

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FS203 Ngwathe - Table A7 Budgeted Cash Flows

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates		37 628	28 078	42 525	68 398	55 839	55 839	55 839	58 743	61 974	65 383
Service charges		141 383	144 049	185 558	283 257	212 151	212 151	212 151	223 183	235 458	248 408
Other revenue		3 655	3 783	(62)	58 800	30 012	30 012	30 012	32 440	34 225	36 107
Government - operating	1	120 868	192 095	173 201	169 751	169 751	169 751	169 751	194 555	193 484	210 329
Government - capital	1	65 890	75 283	62 998	90 078	104 178	104 178	104 178	102 164	110 811	123 102
Interest		34 771	35 864	1 522	5 535	5 839	5 839	5 839	6 142	6 480	6 836
Dividends		16	2	-	-	-	-	-	-	-	-
Payments											
Suppliers and employees		(274 587)	(309 497)	(388 114)	(494 991)	(457 176)	(457 176)	(457 176)	(582 058)	(598 366)	(634 790)
Finance charges		(58 711)	(81 100)	(2 695)	(65 000)	(600)	(600)	(600)	(631)	(666)	(703)
Transfers and Grants	1	-	-	-	-	-	-	-	-	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		70 913	88 558	74 933	115 827	119 994	119 994	119 994	34 538	43 400	54 673
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		11	-		500				-	-	-
Decrease (Increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables			615	4					-	-	-
Decrease (increase) in non-current investments									-	-	-
Payments											
Capital assets		(68 418)	(77 811)	(73 205)	(90 078)	(104 178)	(104 178)	(104 178)	(102 164)	(110 811)	(123 102)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(68 408)	(77 196)	(73 201)	(89 578)	(104 178)	(104 178)	(104 178)	(102 164)	(110 811)	(123 102)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing		(6 259)	(6 003)	(6 391)	(800)	(800)	(800)	(800)	-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		(6 259)	(6 003)	(6 391)	(800)	(800)	(800)	(800)	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(3 754)	5 359	(4 659)	25 449	15 016	15 016	15 016	(67 626)	(67 411)	165 165
Cash/cash equivalents at the year begin:	2	6 839	3 085	8 444	10 000	25 093	25 093	25 093	1 944	(65 682)	(133 092)
Cash/cash equivalents at the year end:	2	3 085	8 444	3 785	35 449	40 109	40 109	40 109	(65 682)	(133 092)	(201 521)

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FS203 Ngwathe - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2014/15	2015/16	2016/17	Current Year 2017/18				2018/19 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand											
<u>Cash and investments available</u>											
Cash/cash equivalents at the year end	1	3 085	8 444	3 785	35 449	40 109	40 109	40 109	(65 682)	(133 092)	(201 521) 205
Other current investments > 90 days		0	(0)	(4)	(26 465)	(31 125)	(31 125)	(31 125)	69 659	137 289	948
Non current assets - Investments	1	–	–	–	1 755	1 755	1 755	1 755	–	–	–
Cash and investments available:		3 085	8 444	3 781	10 739	10 739	10 739	10 739	3 977	4 196	427 ⁴
<u>Application of cash and investments</u>											
Unspent conditional transfers		76	508	–	541	541	541	541	–	–	–
Unspent borrowing		–	–	–	–	–	–	–	–	–	–
Statutory requirements	2										
Other working capital requirements	3	509 125	657 839	904 042	221 292	317 107	317 107	317 107	944 212	996 634	1 051 276
Other provisions											
Long term investments committed	4	–	–	–	–	–	–	–	–	–	–
Reserves to be backed by cash/investments	5										
Total Application of cash and investments:		509 201	658 347	904 042	221 832	317 647	317 647	317 647	944 212	996 634	1 051 276
Surplus(shortfall)		(506 116)	(649 904)	(900 262)	(211 093)	(306 908)	(306 908)	(306 908)	(940 234)	(992 437)	(1 046 849)

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FS203 Ngwathe - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - Executive and Council	Vote 2 - Finance and Admin	Vote 3 - Planning and Development	Vote 4 - Community and Social services	Vote 5 - Housing	Vote 6 - Public Safety	Vote 7 - Sports and Recreation	Vote 8 - Waste Management	Vote 9 - Waste Water Management	Vote 10 - Road Transport	Vote 11 - Water	Vote 12 - Electricity	Vote 13 - Technical Services and PMU	Vote 14 - Airport	Vote 15 - [NAME OF VOTE 15]	Total
R thousand	1																
Revenue By Source																	
Property rates			87 335										204 732				292 066
Service charges - electricity revenue																	-
Service charges - water revenue												69 424					69 424
Service charges - sanitation revenue										45 205							45 205
Service charges - refuse revenue									39 064								39 064
Service charges - other																	-
Rental of facilities and equipment					3 351			89									3 440
Interest earned - external investments			1 473														1 473
Interest earned - outstanding debtors			51 138														51 138
Dividends received													1 052				1 052
Fines, penalties and forfeits																	-
Licences and permits																	-
Agency services																	-
Other revenue			1 019	1 537	1 073			11		485		252	1 278				5 655
Transfers and subsidies			176 555														176 555
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		-	317 520	1 537	4 424	-	-	100	39 064	45 690	-	69 677	207 062	-	-	-	685 073
Expenditure By Type																	
Employee related costs																	-
Remuneration of councillors		14 486															14 486
Debt impairment			71 737														71 737
Depreciation & asset impairment											68 959						68 959
Finance charges			210														210
Bulk purchases												36 076	216 452				252 528
Other materials		105	1 631		9 010					4 108	221	1 634	8 258	2 881			27 848
Contracted services			32 522														32 522
Transfers and subsidies																	-
Other expenditure																	-
Loss on disposal of PPE																	-
Total Expenditure		14 591	106 100	-	9 010	-	-	-	-	4 108	69 180	37 710	224 710	2 881	-	-	468 289
Surplus/(Deficit)		(14 591)	211 420	1 537	(4 586)	-	-	100	39 064	41 582	(69 180)	31 967	(17 648)	(2 881)	-	-	216 784
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		30 000						370		1 400	22 591	72 745	3 000	2 058			132 164
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)																	-
Transfers and subsidies - capital (in-kind - all)																	-
Surplus/(Deficit) after capital transfers & contributions		15 409	211 420	1 537	(4 586)	-	-	470	39 064	42 982	(46 589)	104 712	(14 648)	(823)	-	167	348 948

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FS203 Ngwathe - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2014/15	2015/16	2016/17	Current Year 2017/18			2018/19 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand												
Improve service delivery and infrastructure development	Eradicate backlogs in order to improve access to services and ensure proper operations and maintenance			344 414	394 015	476 476	372 943	372 943	372 943	379 198	400 588	426 301
Improvement of public participation and good governance	Promote a culture of participatory and good governance.			45 280	48 084	58 147						
Improve institutional development and transformation	Improve organisational cohesion and effectiveness			70 857	27 946	33 795	6 458	6 458	6 458	6 566	6 937	7 382
Financial Viability	To improve overall financial management in municipalities by developing and implementing appropriate financial management policies, procedures and systems.			122 628	183 495	221 897	391 614	361 204	361 204	398 182	420 643	447 644
Local economic development	Create an environment that promotes development of the local economy and facilitate job creation.			4 282	3 192	3 860	3 233	3 233	3 233	3 287	3 473	3 695
Allocations to other priorities			2									
Total Revenue (excluding capital transfers and contributions)			1	587 461	656 732	794 175	774 248	743 838	743 838	787 234	831 641	885 022

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FS203 Ngwathe - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand																
Revenue By Source																
Property rates		7 278	7 278	7 278	7 278	7 278	7 278	7 278	7 278	7 278	7 278	7 278	87 335	89 276	94 275	
Service charges - electricity revenue		17 061	17 061	17 061	17 061	17 061	17 061	17 061	17 061	17 061	17 061	17 061	204 732	208 525	220 202	
Service charges - water revenue		5 785	5 785	5 785	5 785	5 785	5 785	5 785	5 785	5 785	5 785	5 785	69 424	78 178	82 556	
Service charges - sanitation revenue		3 767	3 767	3 767	3 767	3 767	3 767	3 767	3 767	3 767	3 767	3 767	45 205	46 189	48 775	
Service charges - refuse revenue		3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	39 064	41 275	43 586	
Service charges - other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rental of facilities and equipment		287	287	287	287	287	287	287	287	287	287	287	3 440	3 918	4 138	
Interest earned - external investments		123	123	123	123	123	123	123	123	123	123	123	1 473	1 480	1 563	
Interest earned - outstanding debtors		4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	4 262	51 138	6 748	7 126	
Dividends received		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Fines, penalties and forfeits		88	88	88	88	88	88	88	88	88	88	88	1 052	1 903	2 009	
Licences and permits		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Agency services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfers and subsidies		14 713	14 713	14 713	14 713	14 713	14 713	14 713	14 713	14 713	14 713	32 713	194 555	182 600	194 728	
Other revenue		471	471	471	471	471	471	471	471	471	471	471	5 655	60 737	62 960	
Gains on disposal of PPE		-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Revenue (excluding capital transfers and cont		57 089	57 089	57 089	57 089	57 089	57 089	57 089	57 089	57 089	57 089	75 089	703 073	720 827	761 917	

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FS203 Ngwathe - Supporting Table SA25 Budgeted monthly revenue and expenditure

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand																
Expenditure By Type	-															
Employee related costs		17 939	17 939	17 939	17 939	17 939	17 939	17 939	17 939	17 939	17 939	17 939	21 622	218 950	234 277	250 676
Remuneration of councillors		1 166	1 166			1 166	1 166	1 166	1 166	1 166	1 166	1 166	1 660	14 486	15 283	16 123
Debt impairment		5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	5 978	71 737	97 433	102 890
Depreciation & asset impairment		5 747	5 747	5 747	5 747	5 747	5 747	5 747	5 747	5 747	5 747	5 747	5 747	68 959	69 286	73 166
Finance charges		18	18	18	18	18	18	18	18	18	18	18	18	210	221	233
Bulk purchases		21 044	21 044	21 044	21 044	21 044	21 044	21 044	21 044	21 044	21 044	21 044	16 866	248 350	262 009	276 420
Other materials		2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	2 321	27 848	28 825	410
Contracted services		2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	2 710	1 817	31 628	23 501	24 817
Transfers and subsidies		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other expenditure		11 036	11 036	11 036	11 036	11 036	11 036	11 036	11 036	11 036	11 036	11 036	32 144	153 538	103 266	108 995
Loss on disposal of PPE		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Expenditure		67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	88 173	835 706	834 101	883 729
Surplus/(Deficit)		(10 868)	(10 868)	(10 868)	(10 868)	(10 868)	(10 868)	(10 868)	(10 868)	(10 868)	(10 868)	(10 868)	(13 083)	(132 633)	(113 274)	(121 812)
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		8 514	8 514	8 514	514 ⁸	8 514	8 514	8 514	8 514	8 514	8 514	8 514	8 514	102 164	110 811	123 102
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)													–	–	–	–
Transfers and subsidies - capital (in-kind - all)													–	–	–	–
Surplus/(Deficit) after capital transfers & contributions		(2 354)	(2 354)	(2 354)	(2 354)	(2 354)	(2 354)	(2 354)	(2 354)	(2 354)	(2 354)	(2 354)	(4 569)	(30 469)	(2 463)	1 290
Taxation													–	–	–	–
Attributable to minorities													–	–	–	–

NGWATHE MUNICIPALITY IDP REVIEW 2018/19

FS203 Ngwathe - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousand																
<u>Expenditure by Vote to be appropriated</u>																
Vote 1 - Executive and Council		5 667	5 667	5 667	5 667	5 667	5 667	5 667	5 667	5 667	5 667	5 667	5 667	68 006	71 746	75 692
Vote 2 - Finance and Admin		19 871	19 871	19 871	19 871	19 871	19 871	19 871	19 871	19 871	19 871	19 871	19 871	238 457	251 572	265 408
Vote 3 - Planning and Development		222	222	222	222	222	222	222	222	222	222	222	222	2 662	2 809	2 963
Vote 4 - Community and Social services		4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	4 122	49 458	52 179	55 048
Vote 5 - Housing		139	139	139	139	139	139	139	139	139	139	139	139	1 666	1 758	1 854
Vote 6 - Public Safety		555	555	555	555	555	555	555	555	555	555	555	555	6 661	7 027	7 414
Vote 7 - Sports and Recreation		1 039	1 039	1 039	1 039	1 039	1 039	1 039	1 039	1 039	1 039	1 039	1 039	12 469	13 155	13 878
Vote 8 - Waste Management		1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	1 023	12 280	12 955	13 668
Vote 9 - Waste Water Management		2 295	2 295	2 295	2 295	2 295	2 295	2 295	2 295	2 295	2 295	2 295	2 295	27 534	29 049	30 647
Vote 10 - Road Transport		6 656	6 656	6 656	6 656	6 656	6 656	6 656	6 656	6 656	6 656	6 656	6 656	79 871	84 264	88 898
Vote 11 - Water		4 554	4 554	4 554	4 554	4 554	4 554	4 554	4 554	4 554	4 554	4 554	4 554	54 645	57 651	60 822
Vote 12 - Electricity		19 905	19 905	19 905	19 905	19 905	19 905	19 905	19 905	19 905	19 905	19 905	19 905	238 856	251 993	265 852
Vote 13 - Technical Services and PMU		1 860	1 860	1 860	1 860	1 860	1 860	1 860	1 860	1 860	1 860	1 860	1 860	22 315	23 542	24 837
Vote 14 - Airport		51	51	51	51	51	51	51	51	51	51	51	51	610	644	679
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditure by Vote		67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	67 958	815 491	860 343	907 662

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FS203 Ngwathe - Supporting Table SA27 Budgeted monthly revenue and expenditure (functional classification)

Description	Ref	Budget Year 2018/19												Medium Term Revenue and Expenditure Framework		
R thousand		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
Revenue - Functional	-															
Governance and administration		26 460	26 460	26 460	26 460	26 460	26 460	26 460	6 460	26 460	26 460	26 460	26 460	317 520	325 273	333 452
Executive and council													-	-	-	-
Finance and administration		26 460	26 460	26 460	26 460	26 460	26 460	26 460	26 460	26 460	26 460	26 460	26 460	317 520	325 273	333 452
Internal audit													-	-	-	-
Community and public safety		360	360	360	360	360	360	360	360	360	360	360	360	324	562	4 813
Community and social services		352	352	352	352	352	352	352	352	352	352	352	352	224	456	4 701
Sport and recreation		8	8	8	8	8	8	8	8	8	8	8	8	100	105	111
Public safety													-	-	-	-
Housing													-	-	-	-
Health													-	-	-	-
Economic and environmental services		3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	42 701	42 730	42 761
Planning and development		3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	3 558	42 701	42 730	42 761
Road transport													-	-	-	-
Environmental protection													-	-	-	-
Trading services		35 208	35 208	35 208	35 208	35 208	35 208	35 208	35 208	35 208	35 208	35 208	35 208	422 493	421 780	422 791
Energy sources		17 505	17 505	17 505	17 505	17 505	17 505	17 505	17 505	17 505	17 505	17 505	17 505	210 062	209 308	210 277
Water management		8 973	8 973	8 973	8 973	8 973	8 973	8 973	8 973	8 973	8 973	8 973	8 973	107 677	107 691	107 705
Waste water management		5 474	5 474	5 474	5 474	5 474	5 474	5 474	474	5 474	5 474	5 474	5 474	65 690	65 717	65 745
Waste management		3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	3 255	39 064	39 064	39 064
Other		17	17	17	17	17	17	17	17	17	17	17	17	200	201	202
Total Revenue - Functional		65 603	65 603	65 603	65 603	65 603	65 603	65 603	65 603	65 603	65 603	65 603	65 603	787 237	794 545	804 020

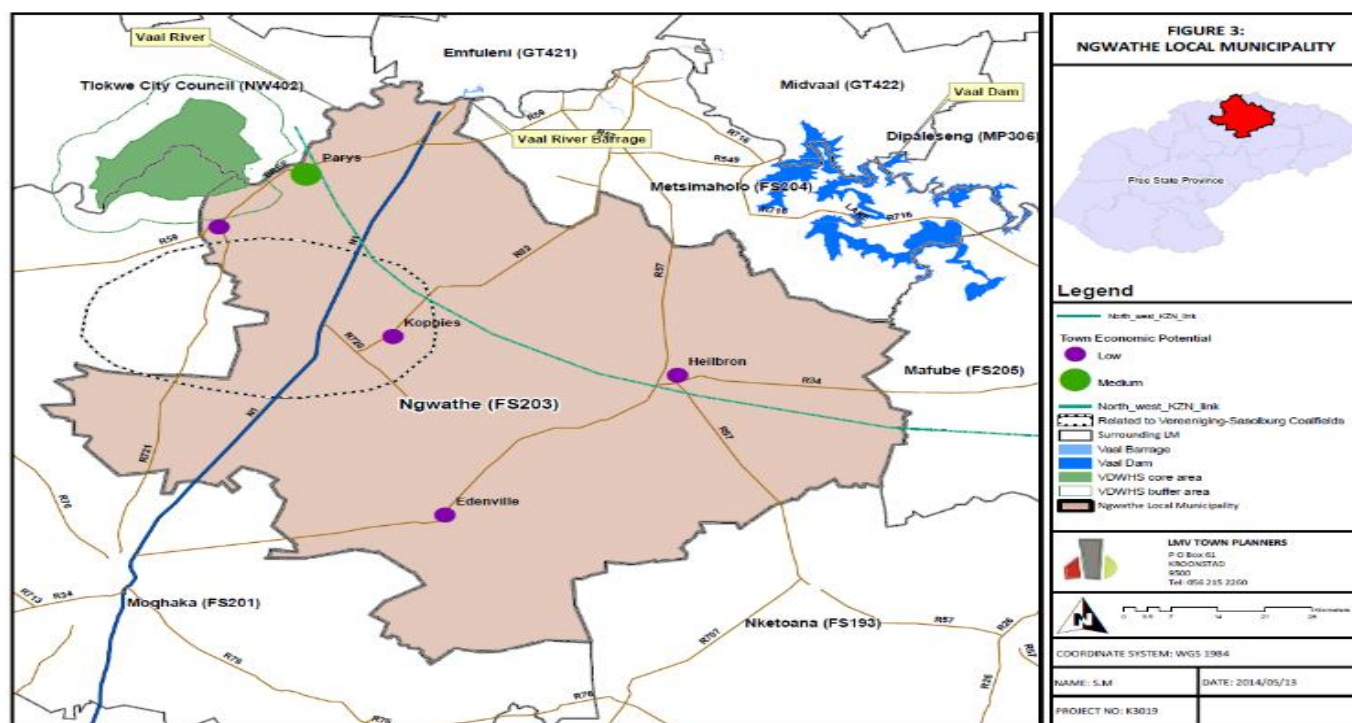
NATIONAL OBJECTIVE: LOCAL ECONOMIC DEVELOPMENT

LED STRATEGY

A popular definition sees LED as a process in which partnership between municipalities, community based groups and the private sector are formed to manage existing resources to create jobs and to stimulate the economy of as well defined area.

The white paper on local government 1998 and the South African national framework on LED clearly states that local government is not responsible for creating jobs, rather it is responsible for taking active steps to ensure that the overall economic and social conditions of locality are conducive the creation of employment opportunities the provision of infrastructure and quality services.

Ngwathe local municipality LED Strategy was developed in 2015 and approved by Council for implementation. The current status of the LED Strategy is not clear, with LED support activities mainly focussed on minor activities in support of business initiatives and programs. The municipality requires serious strategic economist perspective, able to link with the strategic direction the institution is about to undertake for the next 30 years the least.



The economy of the local municipality is determined by its geographical position. Our geographical position which include Parys, Vredefort, Koppies, Heilbron and Edenville dictate upon the municipality to focus on tourism, agriculture and manufacturing as the key economic

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drivers. The other important key component which contribute to the economy is the empowerment of SMME's. The support of the SMME's is implemented on a continuous basis.

Agriculture

Ngwathe Local Municipality has farm lands/commonages in all the five towns. These farmlands/commonages are listed below.

Table 40: Property registration

Town	Registered	Property
Vredefort	Lincoln 541	171.3064 h
	Lincoln 541	171.3064 h
	Lincoln 541	235 4393 h
	Vredefort 148	1m
	Vredefort 148	31.9951 h
	Vredefort 148	145.6104 h
	Vredefort 148	200 m
Parys	Klipbos 445	660 3874 h
	Wildevondkop 396	214 1330 h
	Wildevondkop 396	214 1330 h
	Klipspruit 64	2618 SQM
	Klipspruit 64	24.145 h
	Klipspruit 64	145.0535 h
	Klipspruit 64	102.8086 h
	Klipspruit 64	4.7852 h
	Klipspruit 64	16.6175 h
Edenville	Langland 517	139.0409 h
	Erfdeel Noord 520	139.0409 h
	Eden 538	171.3064 h
	Welgelegen 203	37.1274 h
Koppies	Fischer 58	3.8639 h
	Fischer 58	3.8639 h
Heilbron	Los kuil 1699	85.6532 h
	Strekstroom 1700	222.6710 h
	Reitfontein 156	990 SQM
	Reitfontein 156	504 SQM
	Reitfontein 156	1.0733 H
	Reitfontein 156	800 DUM
	Reitfontein 156	17469 SQM

Statistics show that the agricultural sector contributes less to employment compared to most of the economic sectors. The economic trends analysis of Statistic SA 2011, describes the agricultural sector as a primary sector in the Municipality with the following activities and income per household: -

Table 41: Land Use category / Agriculture Household Income

Type of specific activity	Number
Livestock production	2,272
Poultry production	2,784
Vegetable production	2,718
Production of other crops	3,556
Other	1,657
Annual income category of agricultural household heads	Number
No income	2,214
R1-R4 800	331
R4 801-R38 400	4,990
R38 401-R307 200	1,083
R307 201+	156
Unspecified	134

The National Government is looking into transforming the agricultural sector so that it allows the entry of black people to participate meaningfully in the economy and the food production value chain. The agriculture sector has been identified as a key platform for both transformation and growth and job creation with a potential of one million jobs to be created by 2030. Government also recently established the Agri-BEE Fund, which is geared towards increasing black entrepreneurs in the sector. The fund covers the funding of qualifying enterprise development initiatives, which are targeted at creating economic access and participation for black people in the agricultural sector. Other existing government programmers include the Comprehensive Agriculture Support Programme, Ilima/Letsema, Land Care, and MAFISA, the Micro Agricultural Financial Institutions of South Africa which all seek to address the financial services needs of the smallholder farmers and agribusinesses. In addition to these, the government has also introduced innovative programmes such as the Agricultural Parks or Agri-parks in all 53 District Municipalities which provide much-needed markets for emerging farmers and Ngwathe Local Municipality is one of the Municipality in the Fezile Dabi District identified for the establishment of an Agripark.

In the past years, the Municipality saw an increase in the unpaid Municipal accounts by farm owners and this put a huge strain in the current Municipal financial position.

Tourism

Our local municipality offers of the most sought tourist destinations in **the district, province and country with enormous potential for further development to establish itself as a specific niche to equal value of destinations found in Europe and Africa. The local tourism sector offers game-farm travelling opportunity to visitors all-round the year in the most scenic natural settings of Parys, bordering Potchefstroom. The opportunity presented by this sector against the cost of infrastructure development if completely developed can be off-set against the revenue gains of a period of two years if properly structured and implemented.** Vredefort Dome; one of our crown jewels, was declared a World Heritage site in 2005. The Vredefort Dome has the following activities: Accommodation, wedding and conference venues, wine and dine, tree list, River rafting, hiking, game drives, wild life, mountain biking, horse trails, canoeing and tours to name the few. **There are two museums, located in Parys and Heilbron with a local benefit potential in the tourism sector, once properly structured and marketed. These two cultural heritage sites, if developed towards their optimal functionality may increase economic benefit through activities such as tourism attraction and forge linkages to local economic development programmes.**

We have enough accommodation for tourists that visit our area. The accommodation with our municipality are 138 in total. They range from; hotels, guest houses, bed and breakfast facilities and other accommodation provided of which all can be accessed using the details below.

Parys Tourist information centre:

Address: 30 Water street corner buiten, Parys, Free State, 9585

Tel: 056 811 4000

Email: info@infoparys.co.za

Business Hours:

Monday – Friday: 8:00-17:00

Saturday: 9:00-13:00

Sunday: Closed

Public Holidays, except for Easter Friday, Christmas 9:00-13:00

Riemland Museum Heilbron

Address: 74 Lang Markt St, Heilbron, 9650

Phone: 058 852 2066

Parys Museum

Address: Town square

Manufacturing

Most of the factories closed down and our manufacturing sector is not viable, mainly due to international economic decline with ripple effect on smaller economies as ours. There is a need to attract investors as indicated under the activities in this report, a formal structured strategy is however required should we wish to increase our benefit-margin in this competitive market.

Rendering assistance to smme's

We have 413 registered smme's captured in our data system. They constantly receive assistance and will continue to receive assistance during 2018/2019 financial year.

INSTITUTIONAL ARRANGEMENTS FOR THE IMPLEMENTATION OF LED STRATEGY

The successful implementation of strategies depends largely on effective institutional arrangements at the local sphere.

Institutional arrangements can be defined as range of organisations, structure and networks through which LED can be co-ordinated, managed, implemented and monitored. The LED division has the following roles and responsibilities:

- ✚ Policy and planning - strategic focus
- ✚ Research and development, assess need in strategic areas
- ✚ Develop/link to IDP
- ✚ Facilitate/ coordinate LED partners
- ✚ Marketing city/town
- ✚ Identify, development and manage data bank of stakeholders
- ✚ Support services - financial and non-financial
- ✚ Skills development - LED officials and community
- ✚ Regeneration studies
- ✚ Linking and access to funding
- ✚ Identify, prioritise and select projects
- ✚ Implement and manage projects
- ✚ Create conducive environment for LED and growth – support services incentives
- ✚ Job creation through capital projects
- ✚ Conflict resolution and management
- ✚ Identify strategic and high potential growth areas – geographic and functional

Subsequent to the review of the LED strategy and implementation plan will be constituted to address the needs identified on the strategy.

According to 2018/2019 financial year, the implementation of projects will be as implemented below in accordance with our institutional arrangement.

Table 42: Economic Drivers

ECONOMIC DRIVERS	ACTIVITIES
Agriculture	<ul style="list-style-type: none"> To establish a commission on land audit. To facilitate the signing of outstanding lease agreements. To establish an agricultural forum. To assist and address challenges of emerging farmers with the assistance of sister departments such as the department of agriculture and others.
Tourism	<ul style="list-style-type: none"> Ensure that Parys and Heilbron museums are operational and well marketed. Establish tourism forum. Give assistance to art and craft containers park. Participate in annual events such as the flower festival and power boats. Design a broucher that will market our municipality including the Dome heritage site. Improving tourism attraction through greening project by establishing parks and developing those that exist.
Manufacturing	<ul style="list-style-type: none"> Organise an event by inviting prospective investors to open factories that are closed and also for the purpose of investment.
Rendering assistance to the SMME	<ul style="list-style-type: none"> Organise training and workshops for SMME's with the view of empowering them on various skills such as marketing their business and financial management. Organise workshop on the draft by-laws which focus on street vendors and hawkers. Assist SMME's to access funding from sister departments such as DESTEA,FDC and NYDA.

CONCLUSION

The above-mentioned projects are intended to be implemented during 2018/2019 financial year. However, the perception that an LED Unit carries the mandate of creating jobs need to corrected. Instead our community need to have the understanding that the LED Unit main function is to facilitate and create a conducive platform to render assistance to emerging farmers, tourism entrepreneurs and SMME's.

SECTION J

Sector plans

At the core of the new system of local government is the ability of municipalities to coordinate and integrate programmes of other spheres and sectors operating in their space. This role is very critical given that all government programmes and services are delivered in municipal spaces. In this regard, the integrated development planning process becomes a vehicle to facilitate integrated development to ensure the attainment of local government outcomes contained in the White Paper on Local Government.

The approaches and plans to achieve these outcomes are contained in various national and provincial legislation and policy frameworks.

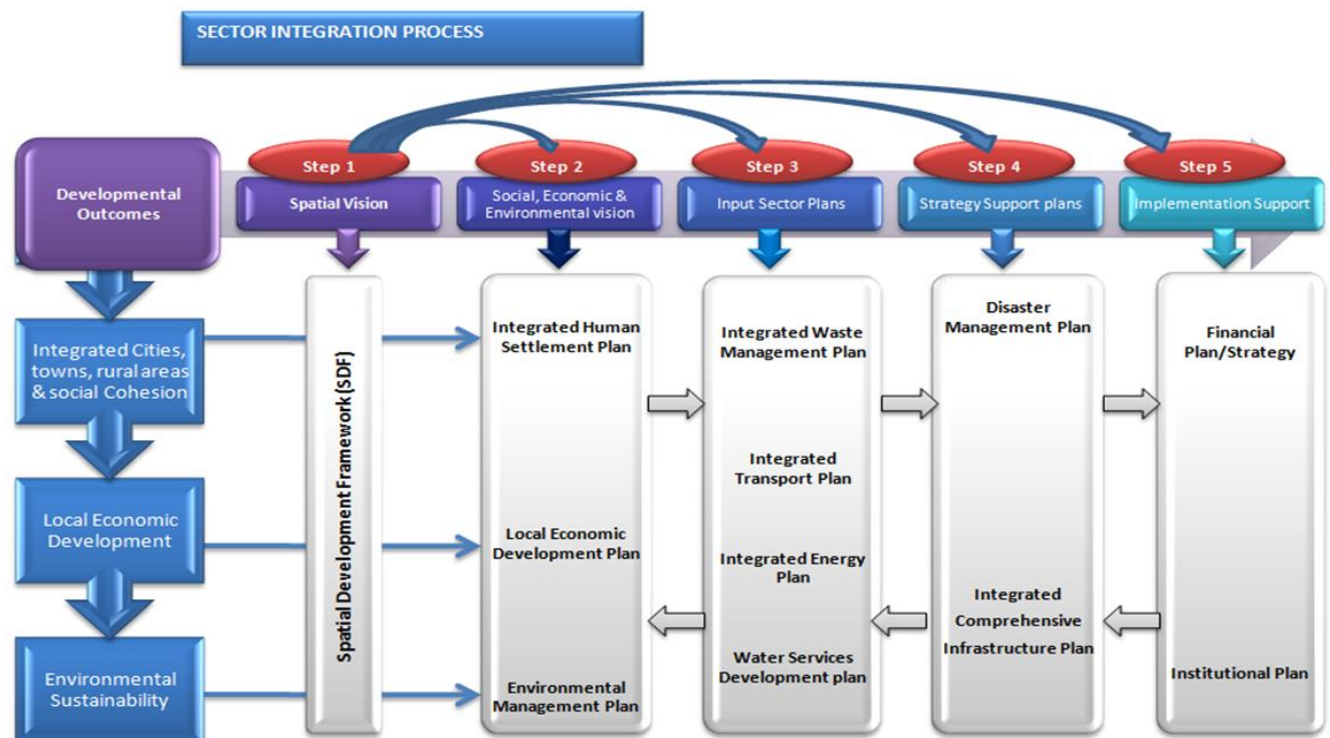
National departments through legislation and policies express government priorities, strategies, plans and programmes. The legislation and policies also require municipalities to develop sector specific plans to guide the rendering certain services.

For the purpose of this framework these sector plans are grouped in two (2) main categories, namely:

- sector plans providing overall development vision of the municipality and
- sector plans that are service-oriented.

The diagram below provides a summary of the various plans and how they are linked to each other

Figure 20: Sector Plan Integration



RURAL DEVELOPMENT SECTOR PLAN INPUTS

The Fezile Dabi District Rural Development plan has been endorsed and signed by the District Executive Mayor on 26/04/2017. This portion of the document is the Department of Rural Development and Land Reform's Sector plan to the Integrated Development Plan of the Ngwathe Local Municipality. This DRDP fulfil the requirements vested in DRDLR by SPLUMA sec 7(e)(ii) and sec 12(2)(a) of the Spatial Planning and Land Use Management Act, 16 of 2013 (see below) where it is required that we support Municipal Planning:

The following principles apply to spatial planning, land development and land use management: "Sec 7 (e) (ii) all government departments must provide their sector inputs and comply with any other prescribed requirements during the preparation or amendment of spatial development frameworks;"

"Sec 12 (2) (a) The national government, a provincial government and a municipality must participate in the spatial planning and land use management processes that impact on each other to ensure that the plans and programmes are coordinated, consistent and in harmony with each other."

This document forms part of the current Integrated Development Plan cycle for the 2018/2019 financial year and serves as a sector plan for both the Integrated Development Plan as well as the Spatial Development Framework as approved by the Council of Ngwathe Local Municipality.

The "**District Rural Development Plan**" and the "**District Rural Development Implementation Plan**" as developed by the Department of Rural Development and Land Reform and the Department of Agriculture and Rural Development has been considered and serves this IDP as a separate Rural Development sector plan for our municipality.

IMPLEMENTATION MATRIX

The area of jurisdiction of the Metsimaholo Local Municipality is situated in the northern part of the Fezile Dabi District Municipality Region. The former Parys, Koppies, Vredefort, Helibron and Edenville Transitional Local Councils and a section of the Vaal Dam Transitional Rural Council are included in the Ngwathe Region. The largest urban unit is Parys followed by Koppies and Vredefort. A number of small villages, in the vicinity of Parys, also form part of the Ngwathe Region. The following Table presents the projects based in the local municipality by category, type, objectives, priority, key stakeholders as well as rural development alignment per project proposed for the broader Fezile Dabi Agri-park development:

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Table 43: Prioritisation matrix and alignment analysis

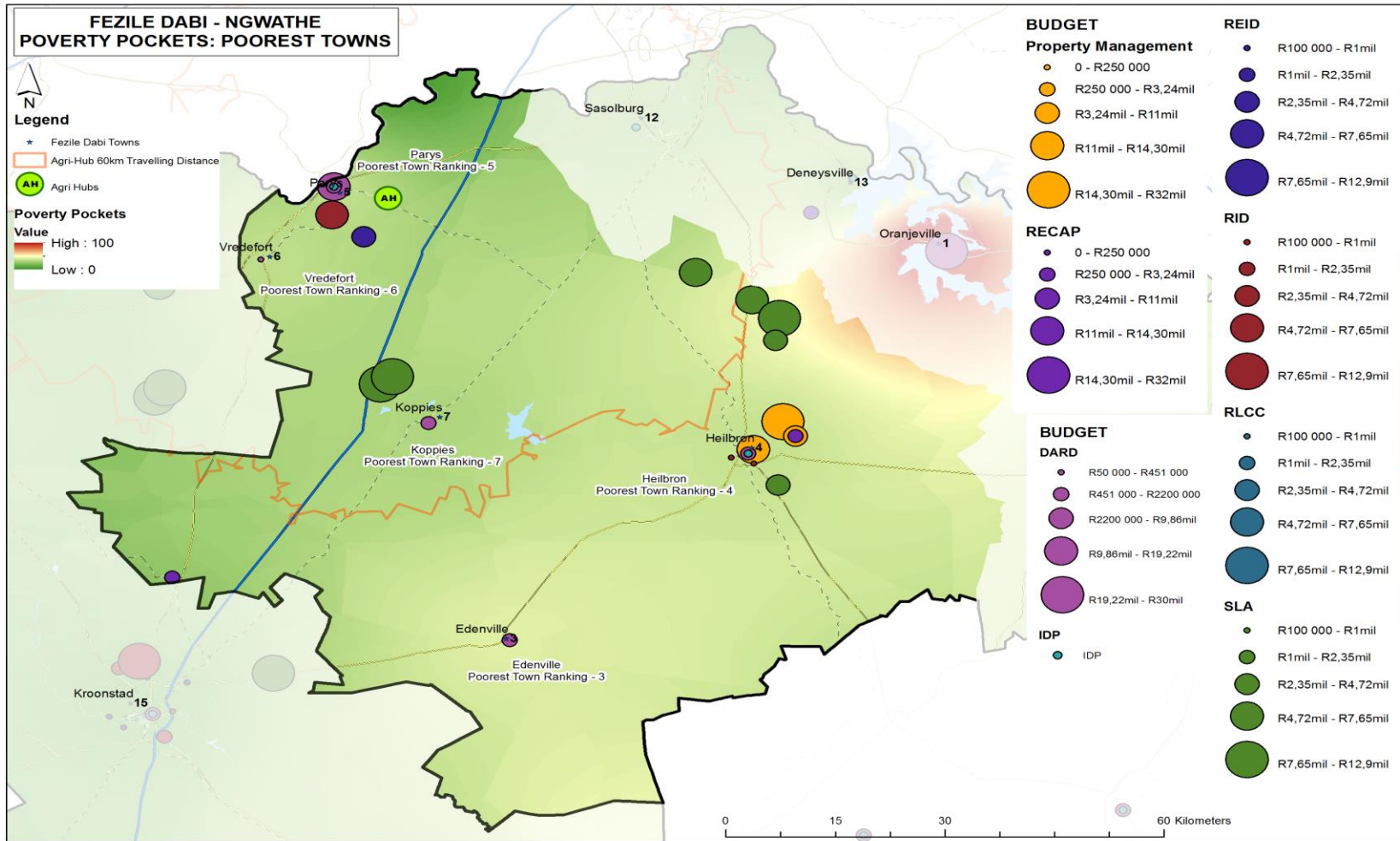
Towns	Project Description	Poverty pockets	Time Frame					Stakeholders							Functions								Functional Region		Commodity Region							Location							Project Priority Score (0-5)						
															Program 3				Program 4 & 5																										
			2018/2019	2019/2020	2020/2021	2021/2022	Longterm	DMR	DESTE	DARD	ROADS	HEALTH	COGTA	EDUCATION	RID	REID	NARYSEC	Land Reform	RECAP	Property	Tenure	Restitution			Locate project on the RDP Implementation Plan	Not Agriculture related	Cereal	Fruit & Veggies	Fats & Oils	Poultry	Protein	Protein Game	AgriHub	FPSU	1Hh1Ha	50/50	ALDRI	Other	Water	Cluster	Poverty Pocket	Agriculture Focus Region	AgriPark/FPSU		
Parys	Construction of Parys Agri-hub Bulks Services, Feed Mill/ Pack house/ Fodder bank within Fezile Dabi	M		x									X													D	X								x	x									
Heilbron	Remaining Extent & Portion 1 of Zaaplaats No.1708	M	X													X										A		X		X	X	X			X	X									
Heilbron	Portion 19and 32 of the farm Schaaplaats No.1789	M	X													X										A		X		X	X	X			X	X									
Vredefort	Lindekweesfontein No.73	M		X												X										K		X	X	X	X	X	X	X	X										
Koppies	Spaarveld No. 132,TarboltonPortion 1 of Aurora No.142 and Portion 1 of Tarbolton No. 73	M		X												X										J		X		X	X	X	X				X								
Koppies	Portion 0 and 1 of Grootpan No.14	M		X												X										J		X		X	X	X	X				X								
Parys	Rademansrus No.1217	M			X											X										K		X	X	X	X	X	X	X	X										
Heilbron	Damplaats No. 464 and Gillie No.932	M			X											X										A		X		X	X	X	X			X	X								

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Table44: Primary Production Matrix

Town Name	PRIMARY PRODUCTION (CROPS)														PRIMARY PRODUCTION (LIVESTOCK)										OTHER PRIMARY SUPPORT					PRIORITISATION SCORE		
	FS Agricultural Master Plan Alignment																															
	Sorghum	Soya Beans	Maize	Wheat	Canola	Sun Flower	Vegetables (Potatoes etc)	Lucerne	Walnut/ Pecan	Olives	Groundnuts	Fruits (apples etc.)	Mixed Grass	Cactus Pear	CROPS SCORE	Hatchery	Broiler	Battery	Feedlot	Cattle	Livestock handling facility	Sheep	Game Farming	LIVESTOCK SCORE	Fencing	Tool Hire	Laboratory	Mobile Laboratory	Logistics (handling facility)	Basic Collection facility	SUPPORT SCORE	
Edenville	2	2	2	2	2	2	2	0	0	2	2	0	5	2	25	0	0	0	0	2	2	5	5	14	2	0	0	0	0	5	7	46
Kroonstad	0	0	0	0	0	0	0	0	0	2	0	0	5	2	9	0	0	0	0	2	2	5	5	14	2	0	0	0	0	5	7	30
Steynsrus	2	0	0	2	0	0	0	0	0	2	0	0	5	2	13	0	0	0	5	5	5	5	5	25	5	0	0	5	5	5	20	58
Viljoenskroon	5	0	5	5	5	2	2	0	5	5	5	0	5	2	46	0	0	0	5	5	5	5	5	25	5	5	0	5	5	5	25	96

figure 21: Poverty pockets with poorest towns ranked



NGWATHE LOCAL MUNICIPAL PROPOSED PROJECTS IN THE FUNCTIONAL REGIONS

Functional Sub-regions

Functional Sub-region 2: Eastern Sub- region (Poverty Focus)

Functional Region 2 provides for:

- The rural areas surrounding Frankfort
- The Secondary Node of Frankfort
- Tertiary Nodes: Oranjeville, Villiers, Cornelia, Tweeling and **Heilbron**
- High regional accessibility provided by the N1 route in the eastern part and the R34
- The concentration of mines and mining rights around **Heilbron**
- A mixture of arable and grazing land

Table 45: Functional Sub-region 2: Eastern Region
(Poverty Focus)

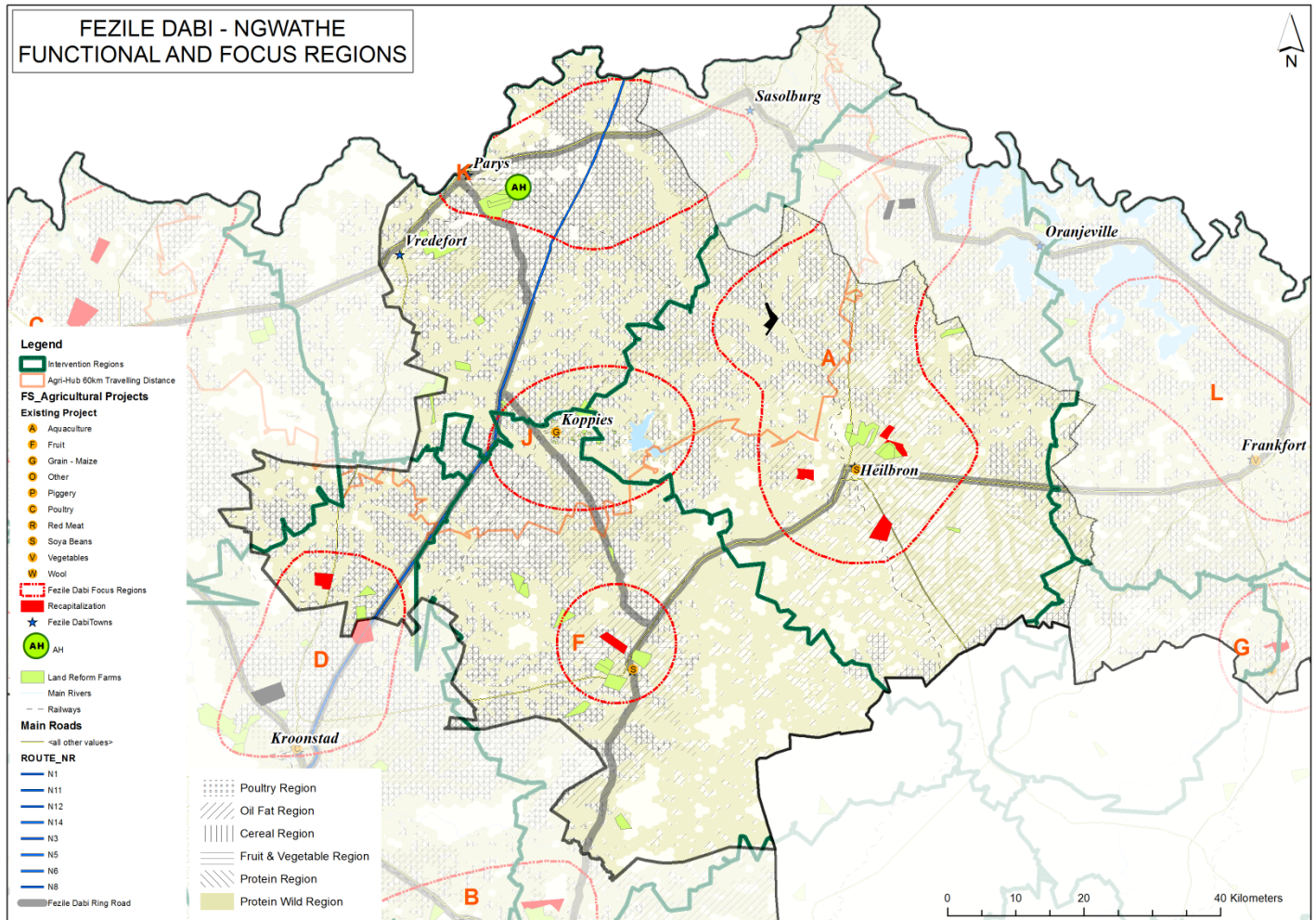
Strengths:	Constraints:
<ul style="list-style-type: none"> • Excellent intra and interregional accessibility: <ul style="list-style-type: none"> • Roads: N3, R34, R57 • Airports: Villiers, Frankfort • Railways • Local accessibility to N3 very good • Within direct economic sphere of influence of: <ul style="list-style-type: none"> ◦ Gauteng ◦ Vaal Triangle • Part of the N3 National Competitive Corridor: Gauteng -Harrismith – Durban • Population and economy within region is dispersed into rural towns off Cornelia, Frankfort, Oranjeville and Tweeling 	<ul style="list-style-type: none"> • Income of Rural Households under R38 800 per annum mainly concentrated in the eastern sub region and areas surrounding Oranjeville and Cornelia, which have the largest concentrations of poverty • Low GVA per capita in areas to the south

<ul style="list-style-type: none"> • Population growth in rural areas is low compared to urban areas. Rural areas experience relatively : <ul style="list-style-type: none"> • Low employment rates • Low GVA per Capita • Low population growth. • Low levels of education • Low average household incomes • System of social facilities dispersed through the whole region providing for local and district needs • Long term economic growth exceeds population growth providing potentially high GDP per Capita within the Functional Region • Well-endowed with natural assets • Rivers: Vaal River, Wige River • Vaal Dam • Deneysville Nature Reserve • Biodiversity: <ul style="list-style-type: none"> • Strong biodiversity features support the development of Tourism • Water sources accessibility • Agriculture: • Land suitability : Within district <ul style="list-style-type: none"> • 31% of total agriculture land • 27% of arable land • 73% of grazing land • 98% of wildlife land • High values of GVA per Capita experienced in the area surrounding Villiers • High household incomes at Deneysville and 	<ul style="list-style-type: none"> • Low household incomes at Edenville, Oranjeville, Frankfort and Cornelia • Land mostly in private ownership • Access to engineering services in rural areas <ul style="list-style-type: none"> • Water - generally low • Electricity – generally low • Sewerage- generally low
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<p>Frankfort</p> <ul style="list-style-type: none"> • The eastern areas of Fezile Dabi have a lesser risk for fire occurrence 	
--	--

Opportunities	Threats
<ul style="list-style-type: none"> • Strengthening linkages with Gauteng • Tourism focussed on: <ul style="list-style-type: none"> • Agro tourism • Game farming • Water sport and leisure • Vaal River and Vaaldam provide Hydro electrical generation opportunities • Mining focussed on: <ul style="list-style-type: none"> • Beneficiation of diamonds • New mining and prospecting licences • Agriculture focussed on: <ul style="list-style-type: none"> • Farming innovations • Increased Livestock production • Irrigation farms • Large scale farming • Intensive farming: <ul style="list-style-type: none"> • Hydroponics • Irrigation • Feedlots/ Chickens/Pigs etc. 	<ul style="list-style-type: none"> • Sufficient funding for projects • Strong competition in Agriculture Sector • Dumping of international goods on local markets • Unskilled labour and inexperienced management • The areas surrounding towns and abutting the main roads and railway lines are more susceptible to fires • Drought

Figure 22: Identified functional and focus regions



NGWATHE MUNICIPALITY IDP REVIEW 2018/19

EXISTING PROJECTS

The following projects are existing Land Reform projects in Ngwathe Local Municipality

Table 46: Existing Land Reform projects

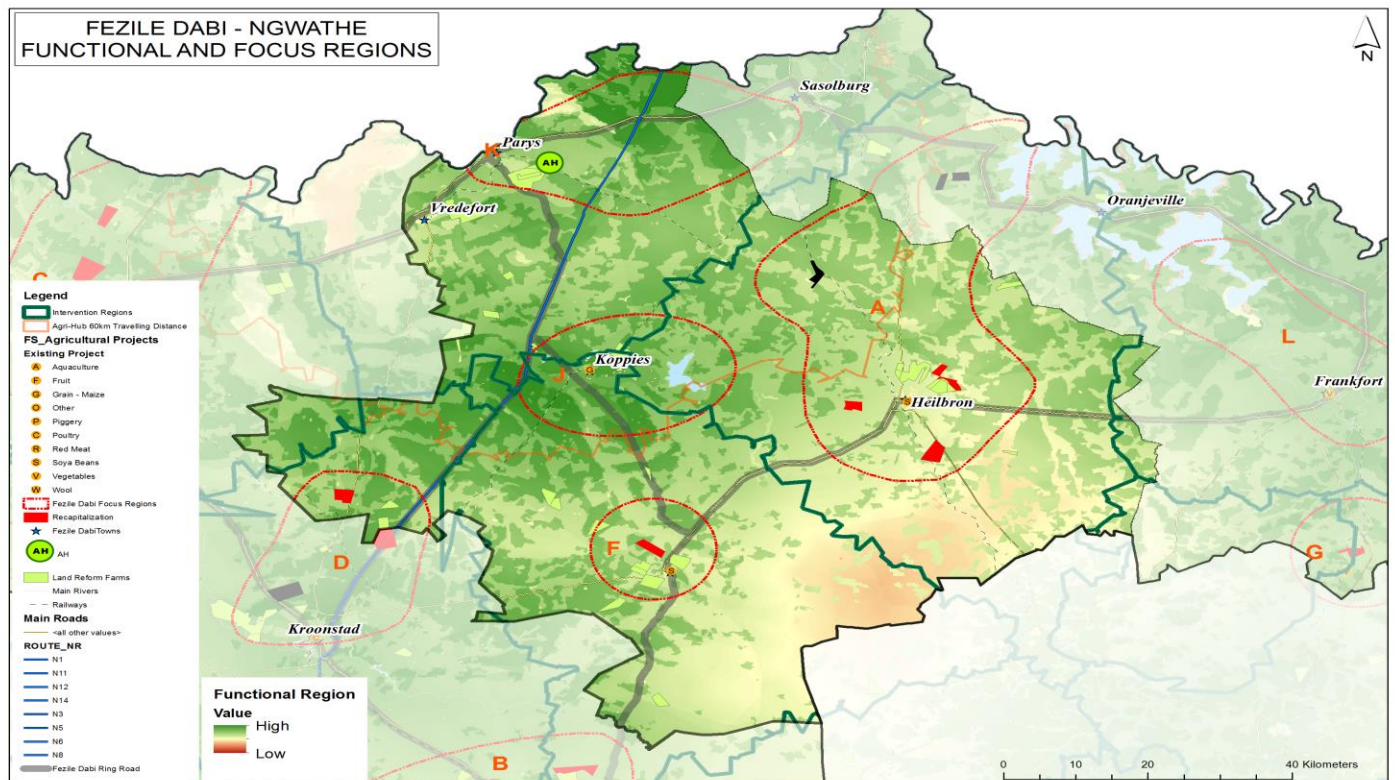
Zone	Number	Farm	Portion	Size (Ha)	Local Municipality	Commodity	Project	Project Type
	9	KALKFONTEIN OOST A No. 1458	1458	202	Ngwathe	Livestock	PLAS	Recapitalization
	11	KROONHEUWEL No. 1813	1813	323	Ngwathe	Mixed Farming	PLAS	Recapitalization
	16	RIETFONTEIN No. 156	RE/156	0	Ngwathe	Crop and Livestock	PLAS	Recapitalization
	17	SPIONENKOP No. 236	RE/236	229	Ngwathe	Livestock	PLAS	Recapitalization
	19	RIETGAT NOORD No. 1294	1127	635	Ngwathe	Mixed Farming	PLAS	Recapitalization

EXISTING DARD PROJECTS

Table 47: Existing DARD projects

Zone	Number	Farm	Portion	Size (Ha)	Local Municipality	Commodity	Project	Project Type
	39	ABERDEEN No. 6	RE/6	1265.5	Ngwathe	Vegetable	CASP	Agriculture
	50	FISCHER No. 58	RE/58	8927.3	Ngwathe		Ilima/Letsema	Agriculture
	51	WILDEHONDEKOP No. 396	RE/396	218.8	Ngwathe	Poultry	CASP	Agriculture
	52	WILDEHONDEKOP No. 396	1/396	211.6	Ngwathe		Ilima/Letsema	Agriculture
	53	AILETTE No. 351	6/351	196.0	Ngwathe		CASP	Agriculture
	55	KLIPSPRUIT No. 64	RE/64	2429.9	Ngwathe	Poultry	CASP	Agriculture

Figure 23: Compilation map overview and road upgrades



AGRIPARK PROJECTS

Projects are listed according to the use it will contribute towards the Fezile Dabi District as illustrated in the table below:

Implementation of the Parys Agri-hub has commenced. The following facilities should be provided;

An Abattoir

Tannery

Chicken abattoir

Feed milling

Maize milling

The proposed Farmer Production Support Units for the Fezile Dabi includes Koppies and Heilbron (which falls under the Ngwathe Local Municipality).

Disaster management plan 2018/2019

Departmental disaster risk management the plans and plans of local municipality is to

- (a) Promoting joint standards of practice between municipalities and municipal entities
- (b) Monitoring progress made with the implementation of priority projects of aimed at disaster risk
- (c) Participating in biannual desktop exercises to remain current with regard to roles and responsibilities in the activation and operation of the disaster operations center and to ensure rapid and efficient

Purpose

The Disaster Management Act No 57 of 2002(DMA) requires provincial and municipal disaster risk management center to promote a coordinated integrated and uniform approach to disaster management

Key performances are

- (a)Institutional Capacity for disaster management
- (b)Risk assessment and monitoring
- (c)Disaster management and planning
- (d)Disaster response and recovery

Enabler

- (1)Information and communication systems
- (2)Education training awareness and research
- (3)Funding

Vision

Our vision is to strive towards the elimination of all avoidable disasters in the Ngwathe Municipality thereby supporting the social and economic development of our communities

Mission Statement

Our mission is to develop and implement holistic and integrated disaster management planning and practice in a cost effective and participatory manner thus ensuring the preparedness of our communities to prevent and Respond to disasters

NGWATHE MUNICIPALITY IDP REVIEW 2018/19

Table 48:

Priorities areas		Challenges	Roots causes of challenges	Intervention/Activities	Time Frames	Responsibility Supporting / Stakeholders	Progress
Disaster Management		The Municipality does have an approved Disaster Management Centre. No budget available No equipment	The Disaster Management Centre needs to be revived.	Appropriate personnel to be appointed. Disaster Management Centre to be fully equipped with necessary equipment and infrastructure.	July 2018.	Director Community Services	NO
Fire and Rescue Services.		There are no professional fire Service within .Edenville, Koppies & Vredefort	No satellite fire stations in the outskirt towns.	Providing infrastructure (Building and services) Appropriate personnel to be appointed. Appropriate equipment to be provided.	July 2018		
Fire and Rescue Services		Acquiring new Major Fire Engine for Head Quarters (Parys)	Dilapidated fleet.	Acquire Major fire pumper for Head Quarters (Parys)	September 2018	Director Community Services	
Fire and Rescue Services		Acquiring designated vehicle for hydrant official.	There is no designated vehicle for hydrant official to conduct hydrant inspections for usage during a fire situation.	Enabling hydrant inspections and maintenance to be conducted thus ensuring that operational personnel attending to a fire have available water resources to combat and extinguish such fires.	August 2018	Director Community Services	
Fire and Rescue Services		Obtaining designated vehicles for Fire and Safety inspectors.	No designated vehicle for fire safety inspectors.	Enabling Fire Safety Inspectors to execute fire safety inspections and attend to complaints regarding Fire Safety issues	August 2018	Director Community Services	

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Table 49: Sector Plans

Sector Plan	In Place/Not in Place	Status	Next review date	Lead Department
SDF	In place	Under reviewed	2019 - 2020	DCS
Rural Development Sector Plan	In Place	Draft		DLRD
Waste Management Strategy/Plan	In place	Draft	2019 - 2020	DCS
LED Strategy	In place	Under review	2019 - 2020	DCS
Integrated Waste Management Plan	In place	Draft	2019 - 2020	DCS
Housing Sector Plan	In place	To be review	2019 - 2020	DCS
Integrated Environmental Management Plan	In place	Draft	2019 - 2020	DCS
Disaster Management Plan	In place	Under Review	2018/19	DCS
Internal Audit Charter				MM
Communication Strategy	In place	Draft		MM
Public Participation Plan/Policy	In place	Under review		MM
Fraud Prevention Plan	In Place	Draft	Awaiting Council Approval	MM
PMS Framework	In Place	Under review	End of May (Council)	IDP/PMS
Electricity Master Plan	In place	Draft	Awaiting Council Approval	DTS
Sanitation Master Plan	In place	Draft	Awaiting Council Approval	DTS
Solid Waste Master Plan	In place	Draft	Awaiting Council Approval	DTS
Road & Storm Water Master Plan	In place	Draft	Awaiting Council Approval	DTS
Water Master Plan	In place	Draft	Awaiting Council Approval	DTS
Water Safety Plan	In place	Draft	Awaiting Council Approval	DTS
HR Strategy	Not in Place			DCOS
Employment Equity	Not in place			DCOS
Workplace Skill Plan	In place	Reviewed	2018 - 2019	DCOS
Institutional Plan	Not in place			DCOS
Employee Wellness Strategy/Plan	Not in place			DCOS
Financial Plan	Not in place			CFO

SECTION K

Capital Projects and Programmes

The MIG programme is an integral part of providing municipal services. The provision of municipal services is in most cases dependent on infrastructure. Part of planning municipal services is therefore planning for infrastructure. With this understanding in mind, Ngwathe Local Municipality view the MIG programme from a holistic perspective where it supports all municipal services.

The projects outlined below are aimed at providing at least a basic level of services by covering the capital cost of basic infrastructure as envisioned in the MIG fund objectives, particularly for poor communities within the municipality.

Table 50: Capital Projects and Programmes

IDP REF	DEPARTMENT	DESCRIPTION	EFFECT / OUTCOME		2018/19	2019/20	FUNDING SOURCE
E-PN:01	Electricity	Parys Electricity Bulk Supply	new	Strengthened Network and Upgrade	3 000 000	5 000 000	DOE - INEP
W-PN:02	Water	Water Infrastructure Asset Management in Parys	new	Better Water Management	2 500 000		DWS - RBIG
W-PN:03	Water	Water Infrastructure Asset Management in Vredefort	new	Better Water Management	1 500 000		DWS - RBIG
W-PN:04	Water	Water Infrastructure Asset Management in Koppies	new	Better Water Management	1 200 000		DWS - RBIG
W-PN: 05	Water	Water Infrastructure Asset Management in Heilbron	new	Better Water Management	2 000 000		DWS - RBIG
W-PN:06	Water	Water Infrastructure Asset Management in Edenville	new	Better Water Management	600 000		DWS - RBIG
W-PN:07	Water	Water Quality Management in Parys	new	Better Quality of Water and eradication of interruptions	2 500 000		DWS - RBIG
W-PN:08	Water	Water Quality Management in Vredefort	new	Better Quality of Water and eradication of interruptions	1 500 000		DWS - RBIG
W-PN:09	Water	Water Quality Management in Koppies	new	Better Quality of Water and eradication of interruptions	1 200 000		DWS - RBIG
W-PN:10	Water	Water Quality Management in Edenville	new	Better Quality of Water and eradication of interruptions	500 000		DWS - RBIG
W-PN:11	Water	Water Demand and Water Conservation in Parys	new	Better Quality of Water and eradication of interruptions	3 500 000		DWS - RBIG
W-PN:12	Water	Water Demand and Water Conservation in Heilbron	new	Better Quality of Water and eradication of interruptions	2 300 000		DWS - RBIG
W-PN:13	Water	Water Demand and Water Conservation in Koppies	new	Better Quality of Water and eradication of interruptions	1 650 000		DWS - RBIG

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W-PN:14	Water	Water Demand and Water Conservation in Edenville	new	Better Quality of Water and eradication of interruptions	1 300 000		DWS - RBIG
W-PN:15	Water	Water Demand and Water Conservation in Vredefort	new	Better Quality of Water and eradication of interruptions	1 800 000		DWS - RBIG
W-PN:16	Water	Construction of 10Ml water clear storage at the Parys WTW	new	Better Quantity of Water and reduction of clean water spillages back to the river	8 000 000		DWS - RBIG
W-PN:17	Water	Construction of the new laboratory at the Parys water works	new	Better Quality of Water and eradication of interruptions	3 500 000		DWS - RBIG
W-PN:18	Water	Edenville Boreholes Monitoring and Assessment	Ongoing	Better Quality of Water and eradication of interruptions	2 000 000		DWS - RBIG
W-PN:19	Water	The Construction of Pump Houses and Equipping of Boreholes in Edenville	Retention	Augment the quantity of water and quality of water	450 000		DWS - RBIG
W-PN:20	Water	Upgrading of Koppies Treatment works	new	Better Quality of Water and eradication of interruptions		15 000 000	DWS - RBIG
W-PN:21	Water	Upgrading of Vredefort Treatment works	new	Better Quality a Water and eradication of interruptions		5 000 000	DWS - RBIG
S-PN:22	Sanitation	Parys Outfall Sewer	Retention	Eradication of spillages, environmental management and Strengthened sewer network	500 000		DWS - WSIG
S-PN:23	Sanitation	Koppies Outfall Sewer	Retention	Eradication of spillages, environmental management and Strengthened sewer network	900 000		DWS - WSIG
W-PN:24	Water	Construction of Parys raw water canal from the river to the water plant	new	Better Quality of Water and eradication of interruptions	5 000 000		DWS-WSIG
W-PN:25	Water	Replacement of filter media , nozzle for 8 filters at the Parys water works	new	Better Quality of Water	1 500 000		DWS-WSIG
W-PN:26	Water	Installation of fencing at Reservoir 3 and 4	new	Better Quality of Water and eradication of interruptions	1 000 000		DWS-WSIG
W-PN:27	Water	Refurbishment of the dosing system at Parys water works	new	Better Quality of Water	2 900 000		DWS-WSIG
W-PN:28	Water	Upgrading of Uplifting pumps at the Parys water works and installation of new electrical panel and pipework	new	Better Quality of Water and eradication of interruptions with electricity	3 800 000		DWS-WSIG
W-PN:29	Water	Installation of bulk and residential water meters in Parys	new	Improved revenue	2 500 000		DWS-WSIG
W-PN:30	Water	Construction of Pre-treatment sysytem in Parys WTW	new	Better Quality of Water and eradication of interruptions	3 300 000		DWS-WSIG
S-PN:31	Sanitation	Upgrading of waste water Treatment works in Heilbron	new	Upgrading of the Treatment works		10 000 000	WSIG
S-PN:32	Sanitation	Refurbishment of waste water Treatment works in Vredefort	new	Refurbishment of the plant		10 000 000	WSIG
RS-PN:33	Roads & Stormwater	Tumahole: Upgrading of 1km paving internal road and storm water channels in Schonkenville (MIS:268924)	new	Improved Access - Bridge Crossing	5 956 060	300 000	MIG
RS-PN:34	Roads & Stormwater	Edenville: Construction of a low level bridge in Ward 18	new	Improved Storm Water Control	679 869	2 715 675	MIG
RS-PN:35	Roads & Stormwater	Tumahole: Upgrading of 1km paving internal road and storm water channels (ward 13) (MIS:268920)	new	Improved Roads Quality and Mobility Access	6 945 482	3 000 000	MIG
RS-PN:36	Roads & Stormwater	Edenville/Ngwathe: Upgrading of 1km paved internal access road and storm water channel in ward 18 (MIS:269131)	new	Improved Roads Quality and Mobility Access	635 540	3 500 000	MIG

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RS-PN:37	Roads & Stormwater	Kwakwatsi: Upgrading of paving access road and storm water channel (2km) at ward 16 and 17 (MIS:270236)	new	Improved Roads Quality and Mobility Access	6 454 008	3 500 000	MIG
RS-PN:38	Roads & Stormwater	Mokwallo: Construction of sports complex phase 2 (MIS:268954)	new	Improved Roads Quality and Mobility Access	1 482 445	3 500 000	MIG
W-PN:39	Water	Vredefort: Installation of residential and bulk water meters	new	Improved Roads Quality and Mobility Access	4 313 469	3 500 000	MIG
W-PN:40	Water	Phiritona: Installation of 1489 residential meters and 45 bulk water meters	new	Better Quality of Water and eradication of interruptions	8 726 785		MIG
	Sports	Koppies Sports Complex	Retention	New Sports Facility	369 935		MIG
W-PN:41	Water	Koppies: Installation of residential and bulk water meters	new	Better Quality of Water and eradication of interruptions	3 104 850		MIG
CC-PN:42	Community Centre	Mbeki Community Centre (Ward 7) Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	500 000		Internal
CC-PN:43	Community Centre	Edenville Community Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	500 000	500 000	Internal
CC-PN:44	Community Centre	Ha -Tjope Heilbron Community Centre (Ward 4)) Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	1 000 000		Internal
CC-PN:45	Community Centre	Koppies Community Centre	new	Decent Venues for Public Participation and other Community Meeting	1 000 000	500 000	Internal
CC-PN:46	Community Centre	Billy Ground -Heilbron Community Centre (Ward 5) Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	1 000 000	500 000	Internal
CC-PN:47	Community Centre	Vredefort Community Centre (Ward 14) Centre Phase 1 - Basic Service	new	Decent Venues for Public Participation and other Community Meeting	1 000 000	500 000	Internal
RS-PN:48	Roads & Storm water	Mokwallo: Paving of internal road 1km (MIS:243846)	old	Improved Roads Quality and Mobility Access	437 358		MIG
SP-PN:49	Sports	Edenville: Construction of sports complex	old	Improved Sports Facilities			MIG
W-PN:50	Water	Vredefort Water Treatment Works -Trident System	old	Improved Water Quality and availability		4 475 000	MIG
E-PN:51	Electricity	Parys: Installation of 8 high mast lights					MIG
E-PN:52	Electricity	Vredefort: Installation of 8 high mast lights					MIG
E-PN:53	Electricity	Koppies: Installation of 8 high mast lights					MIG
E-PN:54	Electricity	Heilbron : Installation of 8 high mast lights					MIG
E-PN:55	Electricity	Ngwathe/Edenville: Installation of 8 high mast lights	old	Improved Lighting			MIG
	Technical Support	Ngwathe PMU	old		2 058 200	2 350 000	
				TOTAL	120 155 561	92 277 000	

SECTION L

Alignment with National and Provincial Objectives and Programmes

Basic Services and Infrastructure

Water & Sanitation

Table 51:

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
To increase clean water supply in Ngwathe and to improve revenue collection and eliminate water leaks.	The timely development of a number of key new water schemes to supply urban and industrial centres.	<p>Increase the proportion of people with access to water in their dwelling from 45% in 2009 to 100% in 2030</p> <p>Increase the proportion of people with access to flush or chemical toilets from 70% in 2009 to 100% in 2030</p>	<p>Increase in the percentage of households with access to a functional water service from 85% in 2013 to 90% by 2019.</p> <p>Increase in the percentage of households with access to a functional sanitation service from 84% in 2013 to 90% by 2019, including elimination of bucket sanitation in the formal areas.</p>

Table 52: Roads, Bridges and Storm Water channels

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
To provide residents of Ngwathe LM with Roads and decent Mobility Access.	Public transport infrastructure and systems, including the renewal of the commuter rail fleet, supported by station and facilities upgrades to enhance links with road-based services.	Develop integrated, affordable and environmentally-friendly public transport system	1.4 million additional households to be connected to the grid between 2014 and 2019, and 105 000 additional non-grid connections.

Table 53: Sports and recreation

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
<p>Providing opportunities for Ngwathe LM's residents to actively participate in sports and recreation.</p> <p>The Municipality also wishes to harness the socio-economic contributions that can create a better life for our residents.</p>	Our Vision is society where opportunity is not determined by race or birth right, where citizens accept that they have both rights and responsibilities. Most critically, we seek a united prosperous, non-sexist and democratic South Africa	Promote Sport and Recreation as an essential part of the education curriculum	<p>Promote the bill of Responsibility, Constitutional values and national symbols amongst children in Schools</p> <p>Policy interventions to make families better able to foster values such as tolerance, diversity, non-racialism, non-sexism and equity</p>

Table 54: Electricity & Energy

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
To install additional high mast lights in the required areas.	Procuring about 20 000 MW of renewable electricity by 2030, importing electricity from the region, decommissioning // 000MW of aging coal-fired power stations and accelerated investments in demand-side savings, including technologies such as solar water heating.	Increase the proportion of people with access to electricity from 90% in 2010 to 100% Create a safe and secure environment for individuals	Ensuring access to adequate human settlements and quality basic services
To improve service delivery to the residents.			Ensure improved access to essential services
To enhance the safety in the area.			

Table 55: Good Governance and Public Participation

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
To improve the overall governance and effect of the Technical Services department	A state that is capable of playing a developmental and transformative role	Strengthen participatory democracy to encourage citizenry expression to guide and influence behaviour	Strengthen participatory governance Cooperative governance arrangements will be strengthened to better support and empower Municipalities.

Table 56: Municipal Transformation and Institutional Development

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
<p>Up-skilling of departmental workers.</p> <p>Institutional Capacitation Development Business Plans and mechanisms to seek funding that will enhance infrastructure Development.</p> <p>Improve Departmental Reporting Systems and structures.</p>	<p>Redress measures in the workplace should focus on enterprise development, access to training, career mobility and mentoring.</p>	<p>Establish and ensure that financial oversight Committees (Internal and External) and Subcommittees are Functional</p>	<p>Address coordination problems and strengthen cross-departmental initiatives</p> <p>Improving the quality of and expanding access to education and training</p>

Table 57: Local Economic Development

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
<p>Increase the scale of EPWP works created by the Infrastructure Department.</p>	<p>Create a million jobs through agricultural development based on effective land reform, and the growth of irrigated agriculture and land production.</p>	<p>Increase the provincial growth rate from 2.1% in 2010 to 7% in 2030</p>	<p>Radical economic transformation, rapid economic growth and job creation</p> <p>Income support to the unemployed through expansion of the Community Work</p>

Table 58: Financial Management

NLM Objectives	NDP Objectives	FSGDS Objectives	MTSF Objectives
Ensure all Grants are spent Fruitfully	Increase investment in new agricultural technologies, research and development of adaptation strategies for protection of rural livelihoods and expansion of Commercial agriculture	Increase financial support to rural communities	Strengthen the administrative and financial capability of municipalities

SECTION M

Programmes and Projects of other sphere

The following tables provide details of identified projects that will be implemented in Ngwathe Local Municipality for 2017/18 financial year as committed by various sector departments.

Table 59: Expanded Public Works Programme Project

Project Description	2018/19	2019/20	Source
Parys T/S REVITAL	R 7 000 000	R 7 000 000	EPWP
Vredefort T/S REVIT	R 7 000 000	R 7 000 000	EPWP
Heilbron T/S REVIT	R 7 000 000	R 7 000 000	EPWP

Table 60: Department of Police, Roads and Transport Project

List of projects per town on 2018 MTEF					Total Allocation Amount		Source		
Vredefort – Parys Kroonstad Through Route Kroonstad – Vredefort Schonkenville – Koppies Heilbron – Sasolburg Tumahole Public Transport route Sasolburg Heilbron Vredefort - Viljoenskroon Deneysville – Heilbron Regravelling					R 562 million		DPRT		
2018 MTEF operational budget: PRMG projects – DPR&T									
No	Project name	Start Date	End Date	Total Budget	2018 / 19				
					Budget 18/19	30% Sub-contracting	Jobs to be created	Current Status	Comments
1. Rehabilitation, renovations and refurbishments (CAP)									
1	P56/2 Vredefort - Parys	01-Jul-15	15-Dec-16	83 000 000	3 000 000	N/A	0	Completed	Retention
2	Kroonstad Through Route	01-Nov-15	30-Nov-16	91 000 000	4 000 000	N/A	0	Completed	Retention
3	P56/1 Kroonstad – Vredefort	01-Jul-16	31-Jul-17	65 000 000	5 000 000	N/A	0	Completed	Retention
4	Tumahole Public Transport	01-Nov-16	31-Mar-19	250 000 000	40 000 000	N/A	425	Ongoing	Massification

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	Route (Phase 3)								
5	S44 Deneysville – Heilbron	01-Aug-16	31-Mar-19	243 000 000	60 000 000	13 139	212	Ongoing	Contractor on Site
6	P9/4 Sasolburg – Heilbron	01-Jul-17	31-Mar-20	226 000 000	60 000 000	13 139	212	Ongoing	Contractor on Site
7	P33/3 Vredefort – Viljoenskroon	01-Oct-17	01-Dec-20	254 000 000	70 000 000	15 328	248	Ongoing	Contractor on Site
8	Schonkenville – Koppies	01-Oct-17	30-Sep-20	210 000 000	80 000 000	17 518	283	Ongoing	Contractor on Site

Table 61: Department of Health

Project Description	Project start date – end date	Source
Construction of Parys Hospital	01 April 2018 – 31 March 2022	DH

Table 62: Department of Water and Sanitation

Project Description	Proposed Budget Allocation 2018/19	Source
Bulk Sewer Phase 2 of 2 (Parys)		Rand Water
Bulk Water Project Phase 3 of 3		RBIG (Projects under construction 2)
Koppies outfall sewer line Parys outfall sewer line Installation of 1000 household meters and 29 bulk meters in Phiritona		WATER SERVICES INFRASTRUCTURE GRANT

Table 63: Department of Education

Table 69: Department of Education			
Project Description		Proposed Budget Allocation 2018/19	Source
New School Primary School - Parys			Public Works
In-House Projects Implemented by Education 2018/19			
Name of school	Project Type	District	Town
Boiphihlelo S/S	Science Laboratory	Fezile Dabi	Vredefort
Dibaseholo	6 Classrooms	Fezile Dabi	Koppies
Dibaseholo	3 x Grade R (Classrooms)	Fezile Dabi	Koppies
Kwakwatsi E49	Nutrition Centres	Fezile Dabi	Koppies
Sandersville	Refurbishment/renovation of school	Fezile Dabi	Heilbron

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Table 64: DESTE

Project	Project Description	2018/19	Source
Global Trade Bridge	Platform created for local manufactures to network and identify opportunities in global market	R 5,000	DESTE
Efoods Franchise Store : Parys	Development of black entrepreneurs in the food retail sector	R5m	DESTE
Free State Food and Bev Festival in Parys (DESTE is expected to fund this project - EXCO Resolution)	Attract tourists to the Free State; Address geographic spread; Address seasonality; Increase domestic tourism; Inculcate the culture of tourism.	R3,5m	

Table 65: RURAL DEVELOPMENT PROJECTS

Project Description	Budget Allocation 2018/19	Source
Construction of Parys Agri-hub Bulks Services, Feed Mill/ Pack house/ Fodder bank within Fezile Dabi	R 294 360	RID
JAMAICA No. 426 - Heilbron	R 6 166 252	RID
Remaining Extent & Portion 1 of Zaaplaats No.1708 - Heilbron	R 4 600 000	SLA
Portion 19 and 32 of the farm Schaaplaats No.1789 - Heilbron	R 8 760 000	SLA
Lindekweesfontein No.73 - Vredefort	R 5 800 000	SLA
Spaarveld No. 132, Tarbolton Portion 1 of Aurora No.142 and Portion 1 of Tarbolton No. 73 - Koppies	R 6 230 000	SLA
Portion 0 and 1 of Grootpan No.14 - Koppies	R 8 861 500	SLA
Rademansrus No.1217 - Parys	R 4 719 000	SLA
Damplaats No. 464 and Gillie No.932 - Heilbron	R 9 820 000	SLA
Spioenkop No.236 - Heilbron	R 29 000 000	PROPERTY MANAGEM
Rietfontein No.156 - Heilbron	R 12 780 000	PROPERTY MANAGEM
Fezile Dabi Poultry Hub (Parys Abattoir)	R 17 000 000	CASP

SECTION N:

Performance Management

How will the PMS be measured?

The municipality reviewed its Performance Management System (PMS) Framework and it was adopted by Council on the 14th December 2016. It is used as one of the instruments to measure municipal performance. The current Draft IDP process seek to develop realistic and measurable developmental objectives that will be seamlessly integrated to other complementing municipal core process.

The municipality PMS policy needs to be reviewed, with our monitoring and reporting systems having to be consistent with our policy.

A number of PMS activities are scheduled for the 2018/19 FY, specifically aimed at capacitating council, management and staff on PMS implementation, derived from our Balanced Scorecard strategic approach on realising institutional goals.

The review of our PMS policy will be an outcome from the PMS intervention program to be initiated as from first week of June 2018.

The PMS Framework alluded here above is hereto annexed (Annexure 1)

ANNEXURE 1

NGWATHE LOCAL MUNICIPALITY



The home of harmony, prosperity and growth

PERFORMANCE MANAGEMENT SYSTEM FRAMEWORK

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DEFINITIONS

Annual Report	In relation to a Municipality means an annual report contemplated in section 121 of the Municipal Finance Management Act.
Balance Scorecard	Is a conceptual framework enabling an organization in clarifying its vision and strategy, thus effectively translating them into action. This performance management approach provides feedback around both the internal processes and external outcomes, essentially focusing on four indicators: Customer Perspective, Internal-Business Processes, Learning and Growth and Financials.
Current Year	Means the financial year which has already commenced, but not yet ended.
Section 57/ 56 Employee	Means a person employed by a Municipality as a Municipal Manager or as a Manager directly accountable to a Municipal Manager and for which there is a Performance Agreement.
Evaluation	Evaluation is a time-bound and periodic exercise that seeks to provide credible and useful information to answer specific questions to guide decision-making by staff/ managers and policy-makers. Evaluation may assess relevance, effectiveness, efficiency, impact and sustainability of the institution and officials.
Indicators	Indicators are pieces of objective evidence, that tell us whether progress is, or is not being made in achieving goals.
Input indicator	Means an indicator that measures the costs, resources and time used to produce an output.
Inputs	The resources, physical, financial or otherwise that contribute to the delivery of outputs. In other words, “what we use to do the work.”
Key Performance Area (KPA)	This is the area in which the Municipality plays a role towards delivering services. These may include Infrastructure and Engineering, Community Planning and Safety, Strategic and Corporate Services, Social and Economic Development, Institutional Transformation, Governance and Financial Management, amongst others.
Key Performance Indicators (KPI)	Key Performance Indicators will be determined in respect of each development priority and objective. These indicators are subject to public participation and will be used by each Department as well as each municipal entity where applicable. These are quantifiable measures which show where performance currently is in relation to the baseline and the target. This describes the measure in a clear, simple and precise manner.
Local Community or Community	In relation to a Municipality, means that body or persons comprising – the residents of the Municipality a) the ratepayers of the Municipality b) any civic organisations and non-governmental, private sector or labour organisations or bodies which are involved in local affairs within the Municipality.
MEC for Local Government	Means the MEC responsible for Local Government in a province.
Monitoring	Monitoring involves collecting, analysing and reporting on inputs, activities, outputs and outcomes in a way that supports effective management. Monitoring, aims to provide managers, decision-makers and other stakeholders with regular feedback on progress in

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	implementation, results and early indicators of problems that need to be corrected. It usually reports on actual performance against what was planned or expected.
Municipality	When referred to as – a) an entity, means a Municipality as described in section 2; and b) a geographical area, means a municipal area determined in terms of the Local Government: Municipal Demarcation Act. 1998 (Act No. 27 of 1998).
Municipal Council or Council	Means a municipal Council referred to in section 157(1) of the Constitution.
Municipal Finance Management Act	Means the Local Government: Municipal Finance Management Act, 2003, and any regulations made under that Act.
Municipal Structures Act	Means the Local Government: Municipal Structures Act. 1998 (Act 117 of 1998).
Municipal Systems Act	Means the Local Government: Municipal Systems Act, 2000 (Act No.32 of 2000).
Objective	An objective is a projected goal that a person, system, or organisation plans or intends to achieve
Outcomes	Refer to the ultimate effects of government activities on society in the medium to long term. These are the results of specific outputs for strategic goals identified in the IDP.
Outcome indicator	Means an indicator that measures the quality and or impact of an output on achieving a particular objective.
Output indicator	Means an indicator that measures the results of activities, processes and strategies of a program of a Municipality.
Outputs	Goods and services produced by the Municipality which are identified by the Performance measures. Outputs may be defined as “what we produce or deliver”.
Performance Audit Committee	An independent committee appointed to assess the annual performance of the Municipality and report on the findings.
Performance Agreement	Means an agreement as contemplated in Section 57 of the Municipal Systems Act.
Performance Plan	Means a part of the performance agreement which details with the Measurable objectives (Outputs), Performance Measures (KPI's), targets and activities that are aligned to the Scorecards.
Political office bearer	Means the Speaker, Executive Mayor, Mayor, Deputy Mayor or Member of the Executive Committee as referred to in the Municipal Structures Act.
Quarters	Means any of the following periods in a financial year: (1) 1 July to 30 September; (2) 1 October to 31 December; (3) 1 January to 31 March; or (4) 1 April to 30 June.
Scorecard	Is an evaluation device that specifies the criteria that stakeholders will use to rate performance in satisfying their requirements.

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	<p>Municipal Scorecard: Five (5) Year Scorecard.</p> <p>Organisational Scorecard: Annual (Year under review) Scorecard with Quarterly Targets.</p> <p>Departmental Scorecard: Annual (Year under review) Scorecard with Quarterly Targets for Municipal Manager and Managers reporting to the Municipal Managers', Departments/Votes.</p>
Service Delivery and Budget Implementation Plan	<p>Means a detailed plan approved by the Mayor of a Municipality in terms of section 53(1)(c)</p> <p>(ii) of the Municipal Finance Management Act for implementing the Municipality's delivery of municipal services and its annual budget, and which must indicate –</p> <ul style="list-style-type: none"> a) projections for each month of – <ul style="list-style-type: none"> 1) revenue to be collected, by source; and 2) operational and capital expenditure, by vote; b) service delivery targets and performance indicators for each quarter; and c) any other matters that may be prescribed, <p>and includes any revisions of such plan by the Mayor in terms of section 54(1)(c) of the Municipal Finance Management Act.</p>
Target	Target to be achieved for that indicator over the specified timeframe.

1. INTRODUCTION

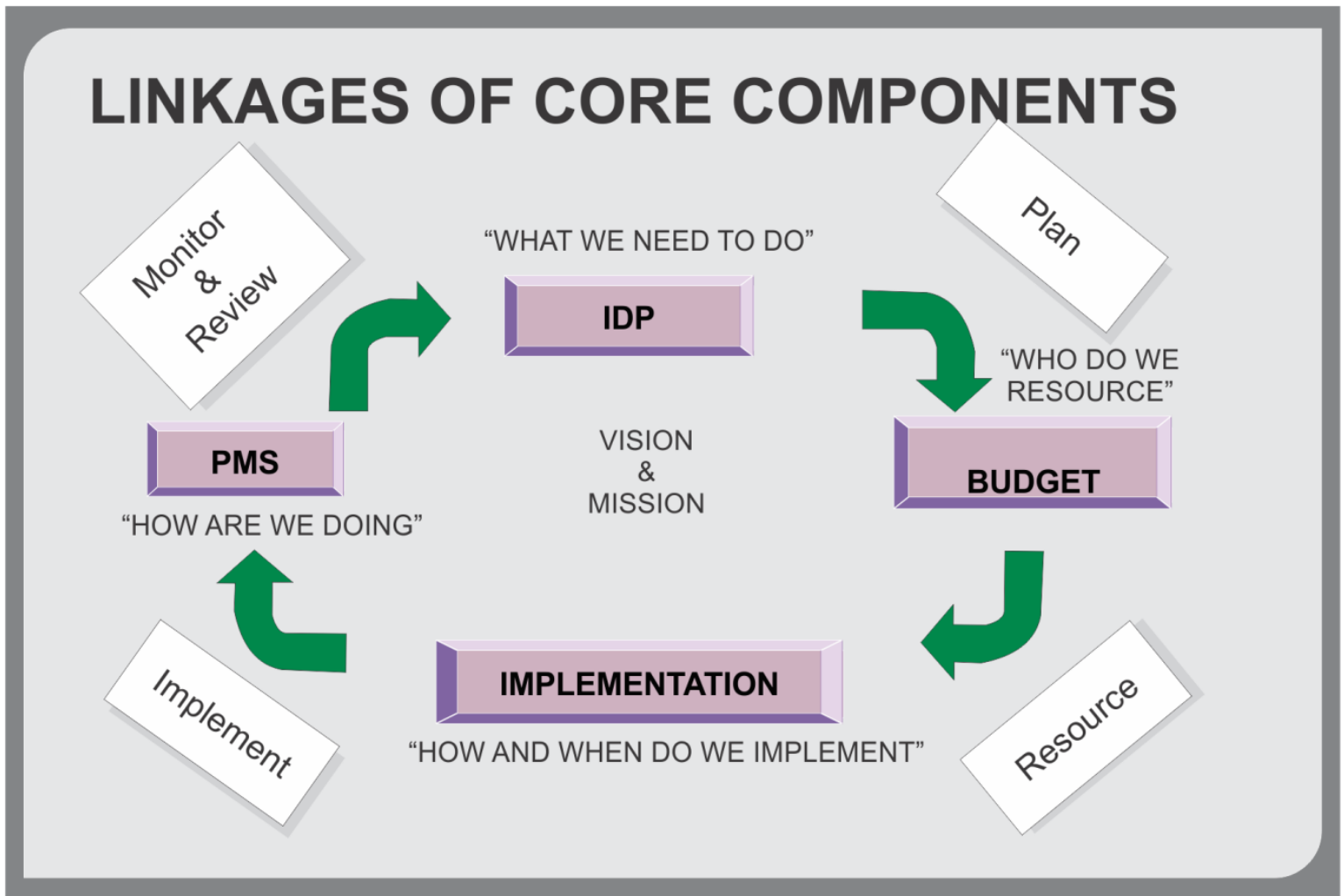
The Municipal Systems Act (MSA) of 2000 mandates municipalities to establish Performance Management Systems, and the Planning and Performance Management Regulations of 2001 describes the municipality's Performance Management System as consisting of a framework that articulates and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised, managed and to determine the roles of different stakeholders. Furthermore, the MSA Municipal Systems Act 32 of 2000 and the Municipal Finance Management Act of 2003 (MFMA) requires that the 5-year strategy of a municipality, the Integrated Development Plan (IDP), must be aligned to the municipal budget and be monitored through the annual Service Delivery and Budget Implementation Plan (SDBIP). Thus, the IDP, the budget and the municipality's performance systems are linked. In relation to these provisions, the performance management of Section 57 Managers must be aligned with the implementation of the Integrated Development Plans, and this is now regulated in terms of the Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers.

Performance management is a process which measures the implementation of an organization's strategy. At the local government level, this has become an imperative, with Local Economic Development, Municipal transformation and institutional development, Good governance and Public Participation, financial Viability and Basic Service Delivery and Infrastructure Development being the key performance areas in terms of the Local Government Developmental Agenda. Performance management provides the mechanism to measure whether targets to meet its strategic objectives that are set by the municipality and its employees, are met. National government has also found it necessary to institutionalize and provide legislation on the performance management process for local government.

In 2013 the Council of Ngwathe Local Municipality approved the Performance Management Framework. This Policy Framework has never been fully implemented since then. However the processes of developing, implementation and reviewing Integrated Development Planning (IDP) have been taking place as normal.

This document therefore serves to review and update of the framework adopted in 2013, with a view to aligning it with current legislative and policy framework in introducing a performance management policy framework that encompasses a Performance Management System (PMS) to be adopted by the municipal council. The Policy Framework will reflect the linkages between the Integrated Development Plan (IDP), the Budget, the Service Delivery and Budget Implementation Plan (SDBIP) and the Performance Management System (PMS) of the municipality. This document will therefore incorporate recently promulgated legislation and policies, present an updated version of the Municipal Scorecard Model and the 5 perspectives, different levels of scorecards and the relationship of these levels and outline the roles and responsibilities of different stakeholders. As required by the Municipal Systems Act, 32 of 2000 and the Planning and Performance Management Regulations, 2001. It sets out the following:

- The objectives of a performance management system;
- The principles that will inform the development and implementation of the system;
- A preferred performance model that describes what areas of performance will be measured by the municipality;
- The process by which the system will be managed;
- Auditing of the municipality's performance;
- Compliance to critical dates and timelines;
- The roles and responsibilities of different stakeholders; and
- The process of managing individual performance.



2. POLICY AND LEGAL CONTEXT FOR PERFORMANCE MANAGEMENT

Legislative enactments, which govern performance management in municipalities are found in the Batho Pele Principles; the White Paper on Local Government; Municipal Systems Act, 2000; Municipal Planning and Performance Management Regulations 2001; Municipal Finance Management Act 2003; Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006; the Framework on Managing Performance Information and lastly the Directive: Performance Information Public Audit Act, 2004 published under Notice 646 of 2007.

Although it is not considered necessary to go into detail in respect of all the legislation it is important to give a brief overview of the most important legislative provisions set out in:

- The Municipal Systems Act , 32 of 2000
- The Municipal Planning and Performance Management Regulations, 2001
- The Municipal Finance Management Act, No. 56 of 2003; and
- The Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006.

Extracts of some relevant policies and legislation that governs municipal performance management is attached in Appendix I of this policy framework. Summaries of very important provisions relating to organisational performance management are thus set out hereunder.

A. The Local Government: Municipal Systems Act , 32 of 2000

Chapter 6 of the Municipal Systems Act (2000) provides briefly that a municipality must:

- Develop a performance management system;
- Promote a performance culture;
- Administer its affairs in an economical, effective, efficient and accountable manner;
- Set Key Performance Indicators (KPI's) as a yardstick for measuring performance;
- Set targets and monitor and review the performance of the municipality based on indicators linked to their IDP;
- Monitor, measure and review performance at least once per year;
- Take steps to improve performance;
- Report on performance to relevant stakeholders;
- Publish an annual performance report on performance of the municipality forming part of its annual report as per the Local Government: Municipal Finance Management Act, 2003;
- Incorporate and report on a set of general (sometimes also referred to as national) indicators prescribed by the Minister responsible for local government;
- Conduct on a continuous basis an internal audit of all performance measures;
- Have their annual performance report audited by the Auditor-General; and
- Involve the community in setting indicators and targets and reviewing municipal performance.

Section 55 to 58 of the Act outlines the provisions on the employment and functions of the Municipal Manager and Managers directly accountable to the Municipal Manager.

B. The Municipal Planning and Performance Management Regulations of 2001

In summary the Regulations provide that a municipality's PMS must:

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- Entail a framework that describes and represents how the municipality's cycle and process of performance management, including measurement, review, reporting and improvement, will be conducted;
- Comply with the requirements of the Systems Act;
- Relate to the municipality's employee performance management processes and be linked to the municipality's IDP ; and that:
- A municipality must:
 - Set key performance indicators (KPI's) including input, output and outcome indicators in consultation with communities;
 - Annually review its KPI's;
 - For each financial year set performance targets;
 - Measure and report on the nine nationally prescribed KPI's;
 - Report on performance to Council at least twice a year;
 - As part of its internal audit process audit the results of performance measurement;
 - Annually appoint a performance audit committee; and
 - Provide secretarial support to the said audit committee.

C. The Local Government: Municipal Finance Management Act, 56 of 2003 (MFMA)

The Municipal Finance Management Act, 2003 also contains various important provisions relating to performance management. In terms of the Act all municipalities must:

- Annually adopt a service delivery and budget implementation plan with service delivery targets and performance indicators;
- When considering and approving the annual budget, set measurable performance targets for revenue from each source and for each vote in the budget;
- Empower the Mayor or Executive Committee to approve the Service Delivery and Budget Implementation Plan and the Performance Agreements of the Municipal Managers and the Managers directly accountable to the Municipal Manager; and
- Compile an annual report, which must, amongst others, include the municipality's performance report compiled in terms Section 46 of the Systems Act.

The Municipal Systems Act and the Municipal Finance Management Act require that the PMS be reviewed annually in order to align it with the reviewed Integrated Development Plan (IDP). As a direct consequence of the reviewed organisational performance management system it then becomes necessary to also amend the scorecards of the municipal manager and section 57 managers in line with the cascading effect of performance management from the organisational to the departmental and eventually to the employee level.

D. The Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to Municipal Managers, 2006

This legislation regulates the management of the Section 57 employees of a municipality by providing an outline of employment contracts, performance agreements, performance plans, employee development and empowerment measures and performance evaluation processes. These regulations further provide criteria for performance assessment and the 5-point rating upon which performance of an individual need to be scored during the assessment and evaluation.

E. LG: MFMA: Municipal Regulations on Minimum Competency Levels, 2007

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Regulates uniform financial competences to improve financial management and viability of municipalities.

F. LG: Regulations Regarding the Participation of Municipal Staff Members in Municipal Elections, 2011

Regulates the participation of municipal staff in elections.

G. LG: Disciplinary Regulations for Senior Managers, 2011

Set uniform procedures for management of discipline for senior managers.

H. Municipal Systems Amendment Act 7 of 2011 & Regulations

Setting of uniform standards for all municipal staff and duties, remuneration, benefits and other terms and conditions of employment

of municipal managers and managers directly accountable municipal managers.

I. The White Paper on transforming Public service delivery (BATHO PELE 1988)

The white paper on transforming public service alludes to 8 Batho Pele principles which are:

Consultation

People should be consulted about the level and quality of the public service they receive, where possible should be given a choice of the services to be rendered.

Service standards

Communities should know what standards of service to expect

Access

All citizens should have equal access to services to which they are entitled.

Courtesy

All citizens should be treated with courtesy and consideration.

Information

Citizens should be given full and accurate information about the services they are receiving.

Openness and transparency

Citizens should know how departments are run, how resources are spent and who is in charge of which service.

Redress

If a promised standard is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy.

Value for money

3. OBJECTIVES OF PERFORMANCE MANAGEMENT

The general objectives of managing performance are, inter alia to:

3.1. Facilitate increased accountability

The PMS should provide a mechanism for ensuring increased accountability between:

- The citizens of the Local Municipality and the Municipal Council;
- The political and administrative components of the Municipality; and
- The Office of the Municipal Manager and each municipal department.

3.2. Facilitate learning and improvement

The PMS must also provide a platform for learning and improvement. It should enable the Municipality to assess which approaches and methods are having the desired impact and in this way enable the Municipality to make the necessary improvements that will lead to more effective service delivery. It should form the basis for monitoring implementation, evaluating and improving the IDP.

3.3. Provide early warning signals

The PMS should provide managers and supervisors at all levels, the Municipal Manager, Portfolio Committees and the Council with early warning of performance targets that are not going to be reached and thus adversely affecting the implementation of the IDP. It is important that the system informs decision makers of areas of delivery that are lagging behind so that they can intervene and take corrective action as required.

3.4. Facilitate decision making

The PMS should provide suitable management information that will allow for efficient, effective and informed decision making, particularly on the allocation of resources.

The objectives listed above are not exhaustive, but briefly summarize the intended benefits of the PMS that is to be reviewed and implemented. These intended objectives, together with other criteria, should be used to evaluate the PMS at the end of each financial year.

4. PRINCIPLES OF PERFORMANCE MANAGEMENT

The following principles are proposed to inform and guide the review and implementation of the Impendle Local Municipality's PMS:

4.1. Simplicity

The system must be a simple user friendly system that enables the Municipality to operate it with its existing resources with the involvement of external stakeholders.

4.2. Politically driven

The legislation requires the PMS to promote a culture of performance management in the political structures. It further states that Council must manage the development of the PMS and assign responsibility in this regard to the Municipal Manager. Once developed, Council must adopt the PMS. This means that Council is the owner of the system and must therefore oversee the implementation and improvement of the system and in the process inculcate a culture of performance improvement as is required by the Municipal Systems Act.

4.3. Incremental implementation

One of the most important lessons learnt by municipalities that have developed and implemented successful PMSs is that it is an incremental process. They point out that the most important thing to do is to start measuring and reporting performance and not to carry on developing the “best” system – start with a basic system, implement it and then improve it incrementally. It is not possible to transform overnight from close to non-compliance to international best practice. In practice it is only possible to move gradually towards a high performance organisation.

4.4. Transparency and accountability

The process of managing performance should be inclusive, open and transparent. Citizens should know how departments within the municipality are run, how resources are spent, and who is in charge of particular services. Similarly all information on the performance of departments should be available for other managers, employees, the public and interest groups.

4.5. Integration

The PMS should be integrated into other management processes in the municipality, such that it becomes a tool for more efficient and effective management rather than an additional reporting burden. It should be seen as a central tool for managing the affairs of the Municipality.

4.6. Objectivity

Performance management must be founded on objectivity and credibility. Both the process of managing performance and the information on which it relies need to be objective and credible.

5 Preparing for Performance Management

5.1 Delegation of Responsibilities

The Municipal Systems Act (2000) places the responsibility of adopting a Performance Management System (PMS) on the Council, while holding the Mayor responsible for its implementation.

The Mayor of Ngwathe Local Municipality delegates the responsibility for the development and management of the PMS to the Municipal Manager. The development of the system is a once-off activity and the Municipal Manager submits the system to the Mayor, who in turn forwards it to the full council for approval. The responsibility of implementation and management of the system remains with the Municipal

Manager as part of his core functions as provided for in Section 55(1) of the Municipal Systems Act of 2000.

6. Development of the Performance Management System

6.1 The Relationship between Integrated Development Planning (IDP), the Service Delivery and Budget Implementation Plan (SDBIP) and Performance Management

Integrated development planning, as defined by the Municipal Systems Act, is a process by which municipalities prepare a 5 year strategic plan that is reviewed annually in consultation with communities and stakeholders. This strategic plan adopts an implementation approach and seeks to promote integration. By balancing the economic, ecological and social pillars of sustainability without compromising the institutional capacity required in the implementation and by coordinating actions across sectors and spheres of government, the IDP delivers a number of products that translate to the formulation of the municipal budget, the development of an annual Service Delivery and Budget Implementation Plan and an organizational performance scorecard for the municipality. In a nutshell, the IDP process should deliver the following products in relation to performance management:

- An assessment of development in the municipal area, identifying development challenges, marginalized and vulnerable citizens and communities;
- A long term development vision for the municipal area that overcomes its development challenges;
- Key Performance Areas and objectives, based on identified needs, achievable in the current term of office, that would contribute significantly to the achievement of the development vision for the area;
- A set of internal transformation strategies, priorities and objectives, whose achievement would enable the delivery and the realisation of the development vision;
- Programmes and projects identified which contribute to the achievement of the above objectives;
- High level Key Performance Indicators and Performance targets that will be used to measure progress on implementation of projects and progress towards attainment of the objectives and the vision; and

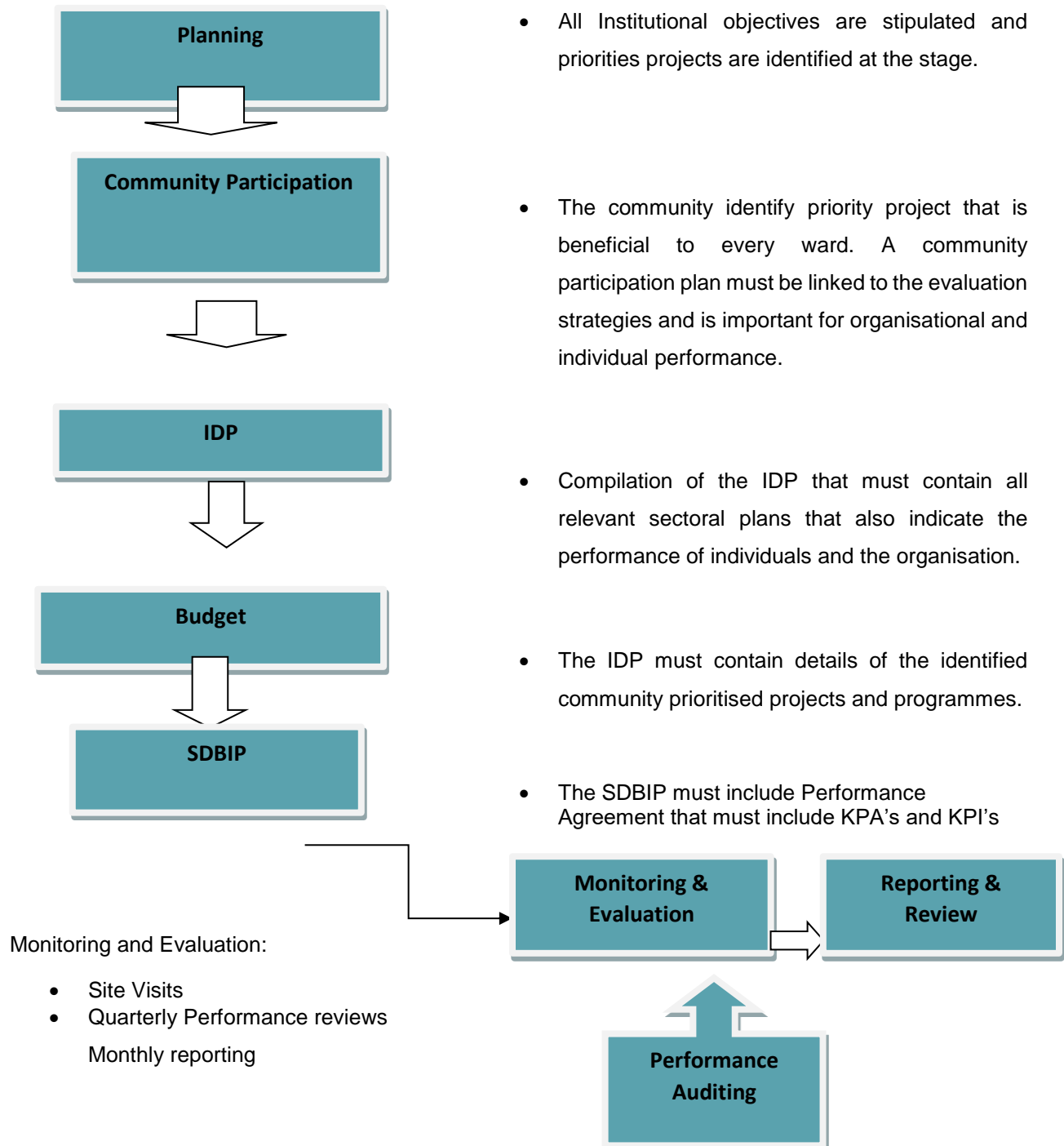
A financial plan and medium term income and expenditure framework that is aligned with the priorities of the municipality; Developing and Adoption of the Service Delivery and Budget Implementation Plan ("the SDBIP")

The above results of the 5 year IDP and the annual reviews result in the development of the Service Delivery and Budget Implementation Plans (SDBIP) on an annual basis. The SDBIP gives effect to the Integrated Development Plan (IDP) and the budget of the municipality and is effective if the IDP and budget are fully aligned with each other, as required by the Municipal Finance Management Act. The budget gives effect to the strategic priorities of the municipality and is not a management or implementation plan. The SDBIP therefore serves as a "contract" between the administration, council and the community expressing the goals and objectives set by the council as quantifiable outcomes that can be implemented by the administration over the next twelve months. This provides the basis for measuring performance in service delivery against end of year targets and implementing the budget.

The SDBIP provides the vital link between the Mayor, the Ngwathe Local Municipal Council and the administration, and facilitates the process for holding management accountable for its performance. The

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SDBIP is an operational tool that assists the Mayor, councillors, municipal manager, senior managers and community. A properly formulated SDBIP will ensure that appropriate information is circulated internally and externally for purposes of monitoring the execution of the budget, performance of senior management and achievement of the strategic objectives set by council. It enables the municipal manager to monitor the performance of senior managers, the Mayor to monitor the performance of the municipal manager, and for the community to monitor the performance of the municipality. The SDBIP should therefore determine (and be consistent with) the performance agreements between the Mayor and the municipal manager and the municipal manager and senior managers determined at the start of every financial year and approved by the Mayor. It must also be consistent with outsourced service delivery agreements such as municipal entities, public-private partnerships, service contracts and the like.



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The municipality has established structures for consultation, oversight and management of integrated development planning. These include but not limited to:

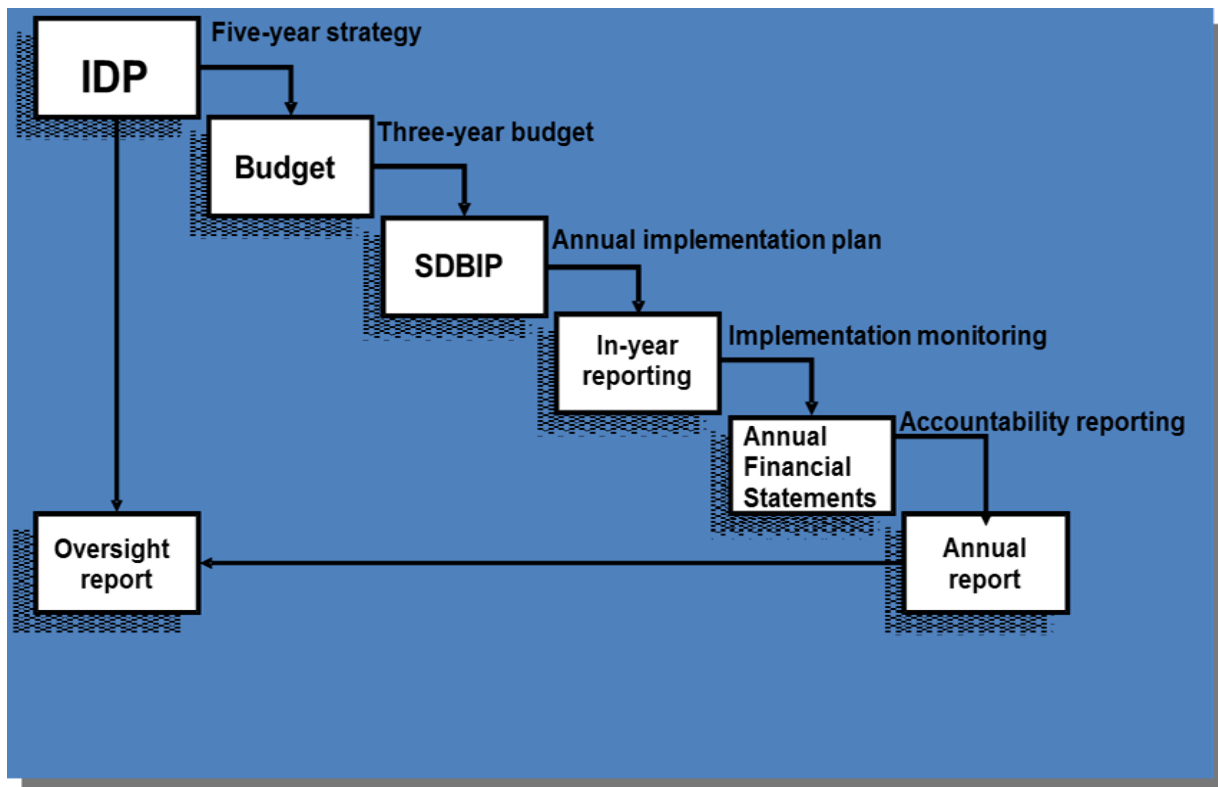
The IDP Representative Forum

The Performance Audit Committee

The IDP of the municipality contains the above features. The municipality has clustered its delivery priorities in the IDP under the following 6 Key Performance Areas (KPA's):

1. Municipal Transformation and Institutional Development;
2. Good Governance and Public Participation;
3. Municipal Financial Viability;
4. Service Delivery and Infrastructure Development;
5. Local Economic Development and
6. Spatial Rationale

The IDP planning process has resulted in translation of the above key performance areas into objectives, and Key Performance Indicators and Performance Targets have been set for each key performance area. Every year the above elements are reviewed within the period of July and March which occurs simultaneously with the implementation of the IDP.



6.2 Adoption of a Performance Management System

According to Regulation 8 of the Municipal Performance Regulations of 2001, the performance management system must be adopted before or at the same time as the commencement by the municipality of the process of setting key performance indicators and targets in accordance with its integrated development plan. Efforts will be made to comply with this regulation on an annual basis whereby the indicators and targets will be reviewed and this will coincide with the review and adoption of a reviewed system.

7 Performance Measurement Model

7.1 What is a Performance Measurement Model?

Performance management is defined as a strategic process to management (or system of management), which equips leaders, managers, employees and stakeholders at different levels with a set of tools and techniques to regularly plan, continuously monitor, periodically measure and review performance of the organization in terms of indicators and targets for efficiency, effectiveness and impact. Regulation 7 of the 2001 Performance Regulations requires that every municipality develop a performance management system (PMS) which consists of a performance framework that describes and represents how the municipality's cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organized and managed, and must set out the roles and responsibilities of the different stakeholders. The regulations further provide in Regulation 13 that a municipality must, after consultation with the community, develop and implement mechanisms, systems and processes for the monitoring, measurement and review of performance in respect of the key performance indicators and targets set by it.

Performance measurement involves determining the extent to which objectives are being achieved through developing indicators and linking them to targets and related standards. Review of performance against set targets is undertaken on a regular basis. A performance measurement framework is a practical plan for the municipality to collect, process, organise, analyse, audit, reflect on and report performance information.

A performance measurement model is a system that is used to monitor, measure and review performance indicators within the above performance measurement framework. It is a choice about what aspects or dimensions of performance will be measured. It is the grouping together of indicators into logical categories or groups, called **perspectives**, as a means to enhance the ability of an organization to manage and analyze its performance.

7.2 The Value of a Performance Measurement Model

The value of performance measurement models can be summarized as follows:

- Models simplify otherwise long lists of indicators by organizing them into perspectives which will sufficiently represent effective performance;
- Different models differ enormously on what is viewed as key aspects of performance (Key Performance Areas) and can help organizations make their own decisions on a model that fits their context;
- Models help in aligning the relationship between areas of performance when planning, evaluating and reporting;
- Models help align strategic planning and performance management by directly linking Key Performance Areas to priority areas in the strategic plan.
- Building an own model allows municipalities to agree on what areas of performance should be integrated, managed and measured and what values should inform indicators and standards of achievement.

7.3 Criteria of a Good Performance Model

The following characteristics should guide the choice of a performance model:

- a. It must be simple to develop and its implementation must be able to be cascaded to the lower level with ease.
- b. The model must ensure that there is a balance in the set of indicators being compiled.
- c. The balance created by the model must encompass all relevant and priority areas of performance.
- d. The perspectives must be aligned to the IDP objectives.
- e. The model must be able to diagnose blockages in the system timeously.
- f. It must be easy to replicate to all other levels.
- g. It must be easy to integrate with other municipal systems and processes.

7.4 The Balanced Scorecard Performance Model

The widely used performance model is the Balanced Scorecard. The Balanced Scorecard ensures that there is balance in the set of indicators being compiled. It was developed as a means to measure performance by combining both financial and non-financial indicators to create a balance between financial and other critical functional areas in organizations. By combining financial indicators and non-financial indicators in a single report, the Balanced Scorecard aims to provide managers with richer and more relevant information about the activities that they are managing than is provided by financial indicators alone.

The Balanced Scorecard performance model required the use of scorecards as a systematic approach to assessing internal results while probing the external environment. This Model groups its indicators into four perspectives: financial perspectives, customer perspective, internal perspective and learning and growth perspective.

7.5 The Revised Municipal Scorecard Model

A Municipal Scorecard Model is a balanced scorecard adapted for measuring key performance on developmental areas that are relevant to municipal service delivery and the public sector. This municipal scorecard model groups indicators together under the 5 Year Local Govt Strategic Agenda Key Performance Areas (KPA's). There are five KPA's that municipalities are required to align their strategic planning on and these cut across every functional area of a municipality. The municipal scorecard measures a municipality's performance through grouping the municipal indicators under these perspectives:

- I. The Municipal Development Perspective
- II. The Service Delivery Perspective
- III. The Institutional Development Perspective
- IV. The Financial Management Perspective
- V. Governance Process Perspective

7.6 Why Ngwathe Local Municipality will adopt the Revised Municipal Scorecard Model?

In previous years, municipalities were encouraged to adopt the balanced scorecard model in its adapted Municipal Scorecard Performance Model format. This model consisted of four perspectives, namely; (1) Development Impact Perspective; (2) Resource Management Perspective; (3) Service Delivery Perspective; and (4) Governance Process Perspective.

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The Ngwathe Local Municipality will align this framework to the revised Municipal Scorecard Model and its performance will be grouped under the following 5 perspectives:

1. *The Municipal Development Perspective*

In this perspective the municipality will assess whether the desired development indicators around the performance area of social and economic development is achieved.

2. *The Service Delivery Perspective*

This perspective will assess the municipality's performance in the overall delivery of basic and infrastructural services and products.

3. *The Financial Management Perspective*

This perspective will measure the municipality's performance with respect to the management of its finances.

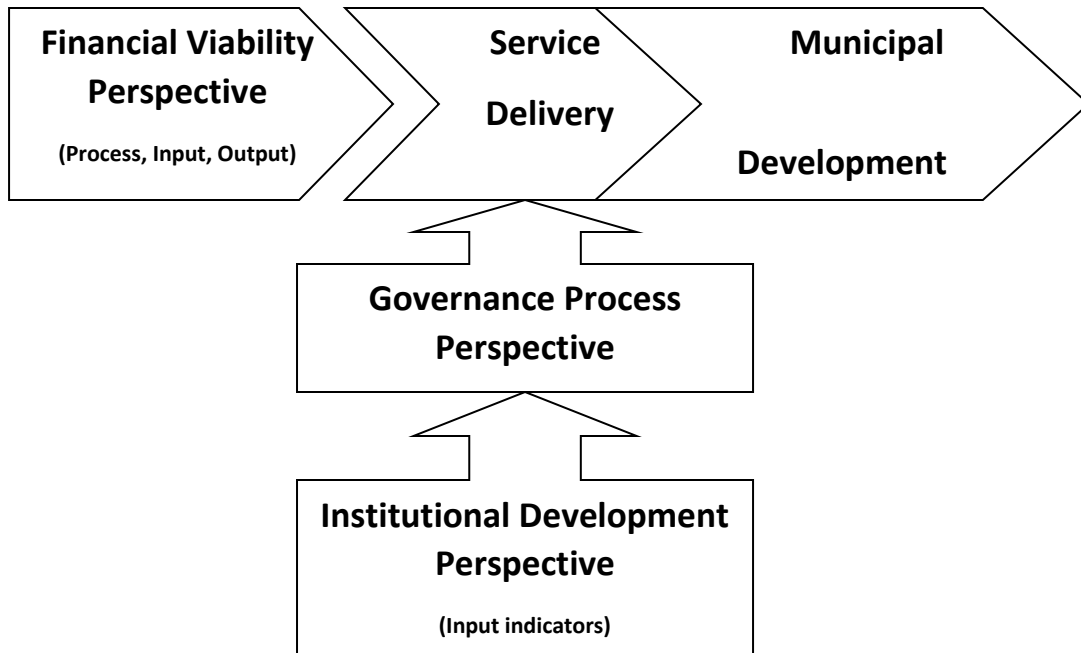
4. *The Institutional Development Perspective*

This perspective relates to input indicators that measure the functioning of the municipality under areas such as human resources, strategic planning and implementation, performance management, etc.

5. *The Governance Process Perspective*

This perspective will measure the municipality's performance in relation to its engagement with its stakeholders in the process of governance, established and functioning governance structures, etc.

The Figure **below** illustrates the 5 perspectives of the Revised Municipal Scorecard Model and the type of indicators grouped under each perspective. It depicts how each of the perspectives informs the performance results of the others from the bottom-up.



7.7 Implementation of the Revised Municipal Scorecard in Ngwathe Local Municipality

A two-level scorecard approach is proposed. The Strategic or Organizational Scorecard will reflect KPA's, objectives, indicators and targets at a strategic level and will align directly with the IDP priorities. This scorecard will follow along the lines of the SDBIP, but will not have the monthly financial cash flow projections. The second-level scorecard will be service or departmental scorecards. This level of scorecard will reflect objectives, indicators and targets at a departmental level. This scorecard will also inform the individual scorecards of the Section 57 Managers.

The two levels of scorecards will then be the organizational performance management system of the Municipality. All reporting on the municipality's performance will be informed by information derived from the two-level scorecard.

7.8 Developing the Organizational Scorecard and Outlining the Scorecard Concepts

During the IDP process a corporate vision and mission was formulated for Ngwathe Local Municipality, together with broad key performance areas (KPA's), development objectives and key performance indicators (KPI's) which feed into the vision and mission. It is now necessary to take this process further into the performance management system, by developing an organizational or strategic scorecard that will encompass all the relevant areas or concepts that will allow measurement of the performance of the organization using this scorecard. This will be done by using relevant concepts to populate the organizational and service scorecards of Ngwathe Local Municipality. This process of developing the organizational and service/departmental scorecards will be followed every year after adoption of the IDP and the budget and after evaluation of the previous year scorecard or municipal performance. An illustration of some of the components of an organizational or strategic scorecard is reflected in figure 3 below.

Figure : Organisational Scorecard Concepts

Step 1	Outline the National Key Performance Areas
Step 2	Define Strategic Focus Areas (SFA's)
Step 3	Formulate appropriate development objectives (IDP Objectives)
Step 4	Develop suitable Key Performance Indicators (KPI's)
Step 5	Indicate the types of Key Performance Indicators
Step 6	Provide baseline information
Step 7	Set targets for each KPI, per quarter
Step 8	Allocate responsibility to departments for execution of actions
Step 9	Provide frequency of reporting on progress

In the following paragraphs are explanatory notes expanding on each of the component concepts set out in the above illustrative scorecard.

Step 1: Setting out National Key Performance Areas (KPA's)

Outlining Key Performance Areas is the first step in the performance management process. According to the 5-Year Local Government Strategic Agenda, all municipalities are required to cluster their priority issues identified during the IDP development and review processes around the following Six KPA's:

- Basic Service Delivery and Infrastructure Development;
- Local Economic Development;
- Municipal transformation and Institutional development;
- Good governance and Public participation;
- Financial viability and
- Spatial Rationale.

Step 2: Define Strategic Focus Areas

It is advisable to identify Strategic Focus Areas for each of the development areas that fall under each of the Key Performance Area's. Examples of Strategic Focus Areas that fall under the Service Delivery KPA are water, electricity, sanitation, roads, etc. Each KPA will have specific strategic areas and each of these must be outlined in the scorecards.

The municipality can choose any favourable phrase for these areas. Other municipalities identify them as Key Focus Areas, Strategic Pillars, etc.

Step 3: Formulating Appropriate Development Objectives

The next step involves the setting of at least a maximum of five (5) high level objectives per KPA. An objective is a measurable statement of intent, measurable either quantitatively or qualitatively. It's a series of elements of the vision or mission broken down into manageable quantities.

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There is no hard-and-fast rule about how many objectives to set, but it is important to make it manageable and realistic and it is therefore advisable to limit the number of objectives that are developed for each KPA.

Example of a developmental objective that is aligned with the KPA:

KPA = Service Delivery.

Objective = "To provide every household with a weekly door-to-door refuse collection service by July 2013".

Step 4: Developing Suitable Key Performance Indicators (KPIs)

The fourth step involves determining necessary Key Performance Indicators for each Strategic Focus area, which define what needs to be measured in order to gauge progress towards achieving the development objectives discussed in the previous step. KPI's must be measurable,

relevant, simple and precise. They simply define how performance will be measured along a scale or dimension (e.g. number of houses to be built).

In setting key performance indicators, the performance regulations of 2001 require that the municipality ensures that:

- a. communities are involved; and
- b. the key performance indicators inform the indicators set for:
 - o all its administrative units and employees; and
 - o every municipal entity and service provider with whom the municipality has entered into a service delivery agreement.

KPI's are used to:

- Communicate the achievements and results of the municipality.
- Determine whether a municipality is delivering on its developmental mandate.
- Indicate whether the organisational structure of a municipality is aligned to deliver on its development objectives.
- Promote accountability by the council to its electorate.

Whenever a municipality amends or reviews its IDP in terms of section 34 of the Municipal Systems Act, the municipality must, within one month of its IDP having been amended, review those KPI's that will be affected by such amendment.

The Performance Regulations of 2001 prescribes two core local government indicators. Municipal indicators which are set by following this step, and national general indicators having been set by the National Minister. The municipality's scorecard must incorporate both indicators. The National General indicators are prescribed in terms of Section 43 of the Municipal Systems Act and provided for in Regulation 10 of the 2001 Performance Regulations and are as follows:

- a. the percentage of households with access to basic level of water, sanitation, electricity and solid waste removal;
- b. the percentage of households earning less than R1100 per month with access to free basic services;
- c. the percentage of the municipality's capital budget actually spent on capital projects identified for a particular financial year in terms of the municipality's integrated development plan;

- d. the number of jobs created through the municipality's local, economic development initiatives including capital projects;
- e. the number of people from employment equity target groups employed in the three highest levels of management in compliance with the municipality's approved employment equity plan;
- f. the percentage of the municipality's budget actually spent on implementing its workplace skills plan; and
- g. the municipality's financial viability as expressed by the ratios for debt coverage, outstanding service debtors to revenue and cost coverage.

Step 5: Types of Indicators (KPI's)

In setting indicators, the municipality's scorecard must show the different types of indicators. The different types of indicators that are popularly used to measure organizational performance include the following:

Input Indicators: These indicators are typically cost related. As the name suggests, they literally measure what inputs have been made towards achieving the objective and they are most relevant to the day-to day operations of a municipality. These are indicators that measure the costs, resources and time used to produce an output;

Process indicators: These indicators describe how well the municipality uses its resources in producing services. They cover the activities and operations that convert inputs into outputs. They are essentially internal types of indicators.

Output indicators: These indicators that measure the results of activities, processes and strategies of a program of the municipality. They refer to "products" produced by processing inputs (i.e. the end point of an activity). An example of an output indicator is "the number of houses built or the number of electricity connections made". Output indicators should only be used for those functions for which the municipality is directly responsible.

Outcome indicators: These indicators measure the quality and or impact of an output on achieving a particular objective. Outcomes are usually based on the results of different variables acting together (for example increased economic activity as a result of improved water supply). They measure the effect that the goals and objectives are having on the community and they are important diagnostic tools. Based on many variables, they tend to lag behind output indicators because they can only be measured after the outputs have been produced. They are also more difficult to measure and are usually influenced by factors external to the municipality's control.

Step 6: Provide Baseline Information for each KPI

The next step is to determine the baseline indicator for each set KPI. A baseline indicator is the value (or status quo) of the indicator prior to the period over which performance is to be monitored and reviewed.

Step 7: Setting Annual Targets for each KPI

The next step is to set performance targets for each identified KPI. Performance targets should comply with the SMART principle (Specific, Measurable, Achievable, Realistic and Time related). It is important to guard against setting too many performance targets.

Target dates for the completion of actions should be set in conjunction with those Departments responsible for their achievement. It is important to be realistic in the setting of target dates. If realistic dates are not set the departments concerned create false expectations and also set themselves up for failure.

Provision must be made in the scorecard for targets to be met in respect of the first, second, third and fourth quarter.

Step 8: Outline Quarterly Targets

This step is about unpacking each of the annual targets and dividing them into quarterly targets. Provision must be made in the organizational scorecards for targets to be met in respect of the first, second, third or fourth quarter.

Step 9: Allocating Responsibility

It is also necessary to decide who takes responsibility for what actions. In the case of the organisational scorecard responsibility would be allocated to a Department. In regard to departmental and other lower echelon scorecards a name must be placed against indicator. This is also a way of cascading the responsibility from the strategic level down to the operational level and from the organisational objectives right down to individual performance monitoring. In this way individual employees can exactly know what their roles are in achieving the strategic objectives.

Step 10: Deciding on Frequency of Reporting

This step involves the frequency of reporting which is:

- Monthly (interdepartmental)
- Quarterly (by the 10th of the subsequent month)
- Mid-Year or
- Annually (by February)

Step 11: Indicate the Structure Mandated to Receive Progress Reports

- This step must show the structure that is mandated to play an oversight or executive role or to manage that particular performance area and the structure that will receive the reports on that KPA and SFA.

Refer to the Organisational Score card

8 The Process of Managing Organizational Performance

8.1 Co-ordination

Co-ordination involves the overall responsibility of and carrying out the function of, and being the custodian of Ngwathe Local Municipality's performance management system and managing the system on behalf of the Municipal Manager. This is a strategic function which resides in the Office of the Municipal Manager.

The co-ordination of the implementation phases of the PMS will be the function of the PMS Unit which will be responsible for the following core activities:

- Responsible for the co-ordination of the development and implementation activities of the organisational PMS, through interaction with all relevant stakeholders;
- Ensuring and overseeing the implementation of this Performance Policy Framework and compliance to all performance legislative requirements in respect of the implementation of the PMS through the development of a Performance Process Plan;
- Facilitating inputs for the review and further development and refinement of the PMS;
- Providing regular support and capacity to the different departments in developing service/departmental scorecards;
- Continuously providing technical support to the Municipal Manager and the executive management team with implementation, assessment, review, monitoring and information management;
- Providing capacity for analysing organizational performance information submitted by Executive Managers on a quarterly, mid-term and annual basis in preparation for reporting;

- Responsible for co-ordination and compiling the Annual Section 46 performance report;
- Ensuring that all quarterly, mid-term and annual organizational performance reports are submitted to all stakeholders timeously, for example, quarterly reports to Mayor; mid-term report to council and annual reports to Auditor General, MEC and the public;
- Work closely with the IDP and Audit Offices to co-ordinate performance activities according to the Performance Process Plan; and;
- Co-ordinate capacity building activities on municipal performance management for all stakeholders.

8.2 Implementing the Performance Management System

Having identified the preferred performance model to be the Revised Municipal Scorecard, and having agreed to measure its performance against the five perspectives, Ngwathe Local Municipality will adopt a process plan for implementing its performance management system. The PMS implementation and management process will be carried out within the following phases:

Phase 1: Planning for Performance

Phase 2: Performance Monitoring and Managing Performance Information

Phase 3: Performance Measurement and Analysis

Phase 4: Performance Review and Improvement

Phase 5: Performance Reporting

The cycle of performance to be adopted is shown in **figure 4** below.

Each phase is outlined in detail and this includes the actual step-by-step guide on what each phase entails and how each one will evolve. Templates that will be used in each phase are illustrated figuratively in the document.

PMS MANAGEMENT CYCLE: Phase 1: Planning

Planning for performance simply means developing and reviewing the IDP annually in preparation for continuous implementation. Municipal performance planning is part of the IDP strategic planning processes. The IDP process and the performance management process are seamlessly integrated. Integrated development planning fulfils the planning phase of performance management. Performance management fulfils the implementation management, monitoring and evaluation of the IDP process.

Step 1: Integrated Development Planning, Priority Setting, Identifying Key Performance Areas, Setting Objectives and Developing Key Performance Indicators and Performance Targets

During the planning phase, the municipality will cluster its development priorities in the IDP under the following 5 Key Performance Areas (KPA's):

- Basic Service delivery and institutional development;
- Local economic development;
- Municipal Transformation Institutional development;
- Good governance and public participation; and
- Financial viability and financial management.
- Spatial Rationale.

The IDP planning process will result in the formation of the above key performance areas (KPA's) and Strategic Focus Areas will be identified within each KPA. Objectives will be developed for each KPA and Strategic Focus Areas, together with Key Performance Indicators and performance targets. These elements will then inform the development of the organizational scorecard, the SDBIP, which will in turn inform the development of departmental and individual scorecards. Every year the above elements will be reviewed within the period of July and March which occurs simultaneously with the implementation of the IDP.

The organizational scorecard will inform departmental scorecards and departmental business plans. These in turn will inform the individual scorecards for the Section 57 Managers and other employees. Drafting of these scorecards should happen simultaneously with the other documents, and submitted to the Mayor for approval and submission to the full council.

Step 2: Attending to Governance and Compliance Issues

Upon approval of all the strategic documents, the Mayor and the Municipal Manager must sign the Municipal Manager's Performance Agreement before 31 July of every year. The Municipal Manager must do the same and sign Performance Agreements with all the Managers directly accountable to him/her before 31 July of every year. These agreements will be discussed in detail below under individual performance management.

The Mayor will also publicize the SDBIP, the organizational scorecard and the Municipal Manager's Performance Agreement as per the provisions of Section 53(3) of the Municipal Finance Management Act.

The following publicity platforms will be used to publicize the above documents:

- The municipal website
- Local Municipalities
- Local newspapers
- Newsletters

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Ngwathe Local Mayor will also submit copies of the SDBIP, the Organizational Scorecard and the performance agreements of all the Section 57 Managers to the MEC for Local Government in the Free State province.

The whole planning process for performance management will be done once per year within the months of March to June, in preparation for implementation in the following year, starting in July. By the beginning of a new financial year, all planning will be complete, compliance issues attended to and resources allocated accordingly.

Phase 2: Monitoring

Monitoring of performance will be an on-going process throughout the year and will run parallel to the implementation of the IDP. Monitoring will be conducted within each department. Ngwathe Local Municipality will use a paper-based and report-based monitoring mechanism. Different role players are allocated tasks to monitor and gather information that would assist the municipality to detect early indications of under-performance and take corrective measures on time. Information management plays a central role during this phase.

Ngwathe Local Municipality's monitoring system places responsibility on each Department, Division/Section and Individual employee to collect relevant data and information to support the monitoring process. Evidence of performance will be gathered, stored by each department and presented to substantiate claims of meeting (or not meeting) performance standards. This evidence is stored on files (both manual filing and electronic filing, where possible). The Heads of the Departments will allocate responsibility in their offices for information management, as these performance information files must be separate from normal registry filing. Even though registry will have all the data and file it as per their filing system, the performance information will be filed according to key performance area and key performance indicators. These files will be regarded as portfolio of evidence kept for purposes of performance measurement, performance review and audit in the other phases.

The roles and responsibilities for monitoring are allocated as follows:

- **Line Managers** – Each line manager will be responsible for monitoring and reporting on each indicator in their departmental scorecards. They will monitor performance of their direct reports under their functional areas and report as per the indicator that has been set to measure that functional area. This monitoring occurs on a daily basis, with reports being submitted to line managers by direct reports on a weekly basis. The line manager is responsible for compiling section reports on each of the indicators; collect the relevant data related to each project and indicator and facilitate proper storage of the data in files.
- **Admin Officers** – The Admin Officers in each section has a responsibility of managing indicator information files as per the municipality's monitoring system. They are also responsible for collating this information in preparation for submission of performance reports to departmental heads by line managers. This responsibility is carried out on a weekly basis.
- **Departments or Directorates and Teams** – The departments will receive progress reports on progress into the implementation of their departmental scorecards from line managers on a bi-monthly basis. The bi-monthly reports are compiled into monthly reports that are discussed at the Management meetings.
- **The Management Team** – The management team discusses the departmental performance progress on a monthly basis and need to reflect on whether targets are being met, reflect on the reasons being provided by departments for targets not being met and suggest corrective action. The purpose for a performance-driven management team is to instill a culture of collective management and eliminate the silo mentality.
- **Section 79/80 Committees** – These committees will monitor performance of their respective services against departmental scorecards. They will receive reports on a monthly basis and must appraise themselves on progress on performance of their service areas against set targets. Where

targets are not being met, the Section 79 Committees should ensure that the reasons for poor performance are satisfactory and sufficient to address whatever delays, and corrective strategies are sufficient to address the poor performance.

- **The Mayor** – The Municipal Manager will submit monthly progress reports on all the indicators in the organisational scorecard to the Mayor in order for her to monitor if targets are being achieved and where they are not, that proper corrective strategies are put in place to keep to the timelines set for achieving each indicator and targets.
- **Municipal Council** – Performance reports will be submitted to the council twice a year. A mid-term report and an annual report are the two reports that will be submitted to council.

Phase 3: Measurement and Analysis

Performance Measurement is essentially the process of analysing the data provided by the above Performance Monitoring System in order to assess performance. At organisational level, Performance Measurement is formally executed on a monthly and quarterly basis, whilst Performance Measurement at individual level is done quarterly.

As indicated in section 7, Ngwathe Local Municipality has adopted the Revised Municipal Balanced Scorecard to analyse the performance information submitted during the monitoring phase and assess its performance levels. The adopted model will measure the municipality's performance through achievements within the 5 Key Performance Areas and report its organizational performance along the 5 performance perspectives.

All the measured results are then recorded on a report. The municipality will use one reporting template for all key performance indicators and all departments will use this format to produce quarterly reports and the annual review report. The reporting template will be discussed under the reporting section.

Figure : Illustration linking monitoring, analysis and measurement

For purposes of evaluating the annual performance of the **municipal manager**, an evaluation panel constituted of the following persons must be established

Mayor;

Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;

Member of the executive committee

Mayor and/or municipal manager from another municipality; and

Member of a ward committee as nominated by the Mayor.

For purposes of evaluating the annual performance of **managers directly accountable to the municipal managers**, an evaluation panel constituted of the following persons must be established -

Municipal Manager;

Chairperson of the performance audit committee or the audit committee in the absence of a performance audit committee;

Member of the executive committee;

and Municipal manager from another municipality.

The manager responsible for human resources of the municipality must provide secretariat services to the evaluation panel.

Phase 4: Performance Reviews

Performance review is a process where the municipality, after measuring its own performance as detailed in the previous phase, assesses whether it is giving effect to the IDP. It is a phase where it will assess whether it is doing the right thing, doing it right and better, or not. Performance reviews will be conducted through the municipality's scorecard model by assessing performance against the 5 Key Performance Areas (KPA's), indicators, and targets. Ngwathe Local Municipality's reviews will be conducted by using the "best value review" approach in the following three methods:

- I. The first method will look at whether the current level of performance is better than that of the previous year, using baseline indicators as adopted in the organizational scorecard. This assessment is important because the municipality can only know if its performance is improving by comparing with past performances. This review method will be the one used regularly alongside the monitoring and analysis processes. The reviews will occur monthly, quarterly and annually.
- II. The second method will be through conducting customer perception surveys on an annual basis. The survey will assess the community's perceptions about the performance of the municipality against the delivery in their key performance areas.
- III. The third method will look at the municipality's performance by comparison with other similar ones through local municipalities through benchmarking exercises conducted once in two years.

The "best value review" approach challenges the current level of municipal performance (through comparing actual performance against the baselines), compare it to others (through benchmarking), consult with customers and communities (through customer perception surveys) and find ways of competing with other municipalities to provide best value in service delivery (through twinning agreements).

The results of measurement and reviews will be captured on the spread sheet reporting format as shown on Figure 8 under the reporting section below. All performance reports from departmental to organizational levels will be done on the same format so that there will be consistency on reporting.

Who has the Responsibility of Conducting Reviews in Ngwathe Local Municipality?

As in the monitoring and measurement stages, reviews will be conducted according to the lines of accountability within the municipality's organizational structure. Reviews at all levels on organizational indicators and targets will be conducted quarterly, preceded by coaching sessions by the municipal manager to her/his direct reports. On considering the quarterly reports from each department and the results of the measurement revealing the level of performance in each department, the Municipal Manager must conduct one-on-one coaching sessions with Managers directly accountable to him/her, to ascertain the level of comfort and confidence in achieving set targets, and to understand the challenges that the Manager might be facing in achieving results. The coaching session must be recorded and the coaching notes be kept in the department's evidence file for individual performance evaluation purposes.

Supervisors

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Supervisors will review the performance of employees reporting directly to them. These reviews will be conducted on a monthly basis and any deviations can be recommended by the supervisor to their area managers, only if they affect indicators and targets that are at their levels, not organizational or departmental indicators.

Line Managers (Area managers, other managers)

These managers review performance of their respective areas on a monthly basis, as they are monitoring, analysing and measuring performance as against their departmental scorecards. The review will cover all organizational key performance areas and indicators with respect to their functional areas and any deviations from original targets can be recommended to their respective senior managers and can be authorised if it is not organizational or departmental targets.

Section 79/80 Committees

These committees manage the performance of sectors and functions respective to their portfolios. In order to build the role played by Section 79 Committees, while ensuring that their role remains strategic and not operational, it is recommended that they review performance as often as monthly. However, the committees can only approve deviations on targets related to their service areas, after receiving recommendations from the management team.

Management Team

The municipal manager and his/her management team will review performance prior to, and more often than, the Mayor or Section 79 Committees, as follows:

- Firstly, they will need to review performance more often, such that they can intervene promptly on operational matters where poor performance or the risks thereof occur.
- Secondly they will need to review performance before reporting to politicians so that they can prepare; control the quality of performance reports submitted to the councilors and the public; and ensure that adequate response strategies are proposed in cases of poor performance.
- It is strongly recommended that the executive management team review performance monthly, prior to reviews being conducted by Mayoral Committee or the Section 79 Committees. At these reviews relevant functional managers will be required to report on respective priority areas.

Mayor

The Performance Management System of Ngwathe Local Municipality is designed in such a way that it allows the Mayor to strategically drive and manage performance in the organisation. Reviews at this level will remain strategic so that the Mayor is not restrained by operational discussions. In order for this review to be strategic it is recommended that the Mayor review performance quarterly, with the second quarter report taking the form of a mid-term review, as provided for by Section 72 of the MFMA and the final quarterly review taking the form of an annual review. The content of the review should be confined to the adopted 5 key performance areas (KPA's) and objectives. The Municipal Manager will remain accountable for reporting on performance at this level.

Council

Council will review the performance of the municipality, its committees and the administration, annually, in the form of a tabled annual report at the end of each financial year.

The Public

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The public will be involved in reviewing municipal performance at least annually, in the form of the annual report and the annual customer surveys.

While good and excellent performance must also be constantly improved to meet the needs of citizens and improve their quality of life, it is poor performance that needs to be improved as a priority. Poor performance may arise out of one or more of the following:

- Poor systems and processes
- Inappropriate structure
- Lack of skills and capacity
- Inappropriate organisational culture
- Absence of an appropriate strategy and departmental business plans that lay the foundation for optimum performance.

Improving Performance

In order to improve performance, Ngwathe Local Municipality, throughout the performance management phases, will analyse the causal and contributory reasons for poor performance, through coaching sessions from top to lower levels of the administration and appropriate response strategies will be developed. These will include, inter alia:

- Restructuring as a possible solution for an inappropriate structure;
- Process and systems improvement strategies to remedy poor systems and processes;
- Training and sourcing additional capacity where skills and capacity shortages are identified;
- Change management and diversity management education programmes to address organisational culture;
- Review of the IDP where councilors will address shortcomings in the strategy;
- Development of appropriate departmental business plans and operational plans to guide performance in each department; and
- Where results show no chance of improvement through internal measures, alternative service delivery mechanisms shall be considered.

Phase 5: Reporting on Performance

Reporting requires that the municipality take its key performance areas, its performance objectives, indicators, targets, measurements and analysis, and present this information in a simple and accessible format, relevant and useful to the different stakeholders for review. Municipality will adopt Ngwathe Local reporting format shown in **Figure 8** below as its uniform reporting template at all levels of reporting.

The proposed template will contain only necessary and relevant information and will cover the period for which the reporter is reporting, state the relevant key performance areas, capture all the agreed objectives and indicators, state agreed targets relevant to the period which the report covers, measure current performance over the period for which the report is covering, specify when the measurement was done, specify the source of the measurement, reflect on whether agreed targets have been met, analyse the reasons for the level of performance, and suggest corrective action, if necessary.

All stakeholders who are expected to report on performance will use this one reporting template. The reporting template will remain simple, accessible to all users and useful to the intended reader.

The main feature of the reporting phase is the production of the annual report. This is a consolidated report that reflects results on performance on each of the 5 perspectives as per the adopted model. The main report will be informed by the information gathered through the scorecards throughout the year and one performance report will be compiled as per the requirements of Section 46 of the Municipal Systems Act.

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Since the Municipality adopted the Revised Municipal Scorecard model, its annual report will reflect its performance results clustered in the following 5 perspectives:

- Under the Municipal Development Perspective the municipality will reflect results achieved on indicators around the performance area of social and economic development. This perspective measures the outputs on socio-economic development in the municipality.
- Under the Service Delivery Perspective the municipality will reflect its annual performance achievements in the overall delivery of basic and infrastructural services outputs.
- Under the Financial Viability Perspective, the annual report will reflect the municipality's performance with respect to the management of its finances. It has to reflect the results of the process and input indicators, as well as output indicators in relation to the impact its financial management systems have achieved on overall financial viability of the municipality.
- The Institutional Development Perspective will report on input indicators that measure the functioning of the municipality under areas such as human resources, strategic planning (IDP) and implementation, performance management, etc; and
- Under the Governance Process Perspective the municipality's annual report must indicate results achieved in relation to its processes of engagement with its stakeholders in the process of governance, established and functioning governance structures, good corporate governance and implementation of the IGR Act, etc.

9. REPORTING

9.1. Who Reports to Whom?

The reporting process will follow the lines of accountability as detailed in the performance monitoring, measurement and review phases above. Reports will be submitted to all different stakeholders using following internal processes and as outlined above and through the different political and community stakeholders as required by the Municipal Systems Act, the Municipal Finance Management Act and the Performance Regulations. Reports will be submitted to the following stakeholders during the timelines outlined in the municipality's performance process plan as shown under the **Performance Cycle** section:

- Ngwathe Local Municipality reporting to communities , including quarterly reporting to Ward Committees;
- Mayor reporting to Council;
- Municipal Manager reporting to the Mayor;
- Directors reporting to the Municipal manager and Section 80 Committees;
- Line Managers reporting to their relevant directors;
- Supervisors reporting to their Regional Manager;
- Employees reporting to their respective Supervisors.

9.2. Tracking and Managing the Reporting Process

To ensure that the reporting processes run smoothly and effectively, the PMS Unit in the Office of the Municipal Manager will co-ordinate all activities related to efficient reporting. The functions of the Unit in this instance include the following:

- Developing a process plan or timetable for all reporting processes for the year;
- Prepare logistics for reporting;
- Improve the reporting format, should there be a necessity to do so;
- Track and monitor reporting processes;
- Control the quality of reports going to reviews at political levels in terms of alignment with the adopted reporting format;
- Analyse departmental performance reports;
- Compile quarterly organisational performance reports and the annual report; and
- Review the reporting process and suggest improvements.

9.3. Publication of Performance Reports

The annual report is required by legislation to be available to the public. Ngwathe Local Municipality will, however, within its resources and capacity, keep the communities more frequently informed of performance information through:

- Publication of reports in the municipal website
- Press releases
- Press Briefings (where possible)
- Publication of pamphlets or newsletters
- Local Radio programmes
- Meetings with Local Municipalities
- IGR Forum.

The municipality will also submit Section 46 reports to the MEC and the Auditor General as provided for by the Municipal Systems Act and the Municipal Finance Management Act.

9.4. Public Feedback Mechanisms

Public feedback on reported performance will be during IDP review processes (ward meetings), annual customer surveys and through ward committee meetings.

9.5. Auditing Performance and Quality Control

In order for the performance management system to enjoy credibility and legitimacy from the public and other stakeholders, performance reports, particularly the annual performance report, must be audited. Audits should ensure that reported performance information is accurate, valid and reliable.

In terms of the provisions of the Municipal Systems Act and the Performance Regulations of 2001, the annual performance report must be audited internally, and before being tabled and made public, the annual performance report will also be audited by the Auditor-General. It is therefore important to allow sufficient time between completion and tabling of the annual report for auditing.

After being reviewed by the council, the annual report must then be submitted to the Auditor-General before 31 August of every year, for auditing and be submitted to the MEC for local government in the province for the MEC to complete an annual report of performance of all municipalities in the province, identifying poor performing municipalities and proposing remedial action and submit the provincial report to the national minister. The national minister will then present a consolidated report to parliament.

9.6. Internal Auditing of Performance Measurements

9.6.1. The Internal Audit Unit of Ngwathe Local Municipality

In terms of Regulation 14 of the Planning and Performance Regulations of 2001, every municipality must develop and implement mechanisms, systems and processes for auditing the results of performance measurements as part of its internal auditing processes. The functions of the internal audit unit include the assessment of the following:

- (i) The functionality of the municipality's performance management system;
- (ii) Whether the municipality's performance management system complies with the provisions of the Municipal Systems Act; and
- (iii) the extent to which the municipality's performance measurements are reliable in measuring performance of municipalities on its own indicators and the national indicators

The Regulations further provides that the municipality's internal auditors must:

- (i) on a continuous basis, audit the performance measurements of the municipality; and
- (ii) submit quarterly reports on their audits to the municipal manager and the performance audit committee.

Ngwathe Local Municipality should comply with the Regulations by ensuring efficiency of the Internal Audit Unit. The Internal Audit Unit will be responsible for quality checks and balances of all performance information submitted for measurement and review. Quality control is the central and key function of the Unit that will ensure achievement of effective and efficient performance by Ngwathe Local Municipality. The Municipal Manager and the Mayor will place reliance on the performance audit, risk assessments and audit reports to make informed decisions and motivate for any reviews and improvements to the municipal council and communities.

9.6.2. The Performance Audit Committee

Regulation 14 of the Planning and Performance Regulations stipulates the provisions that guide the establishment of the Performance Audit Committee and outline the functions and powers entrusted to the committee as the following:

- a. review the quarterly reports submitted to it by the Internal Auditors;
- b. review the municipality's performance management system and in doing so, focus on economy, efficiency, effectiveness and impact in so far as the key performance indicators and performance targets set by Ngwathe Local Municipality in its organizational scorecard are concerned;
- c. make recommendations in this regard to the municipal council; and
- d. at least twice during a financial year submit an audit report to the municipal council;
- e. communicate directly with the council, municipal manager or the internal and external auditors of the municipality;
- f. access any municipal records containing information that is needed to perform its duties or exercise its powers;
- g. request any relevant person to attend any of its meetings, and if necessary to provide information requested by the committee; and
- h. investigate any matter it deems necessary in the performance of its duties and the exercise of its powers.

Ngwathe Local Municipality should appoint the Performance Audit Committee for 2013/2014. The municipality must provide an annual budget for the running of this committee and also provides the relevant secretarial capacity for the committee.

10. Roles and Responsibilities of Different Stakeholders

As can be noted from the above analysis of each phase in performance management and from the plethora of legislative prescripts governing municipal performance, it is clear that, for the performance management system to be functional, a number of stakeholders have to be involved. These stakeholders have different roles and responsibilities within each of the performance management phases. The tables below will outline roles and responsibilities of each of the stakeholders in each phase.

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Roles and responsibilities of stakeholders in the management of the PMS

Roles and Responsibilities of the Municipal Council

PLANNING	MONITORING, ANALYSIS AND MEASUREMENT		
	REVIEW	REPORTING	ASSESSMENT
<ul style="list-style-type: none"> * Approves KPA's and objectives in the Integrated Development Plan. * Approves the PMS policy framework. * Assigns the responsibility for the management of the PMS to the Mayor. 	<ul style="list-style-type: none"> * Approves the annual review programme of the IDP. * Approves the Top level SDBIP. * Approves changes to the SDBIP and budget adjustments * Approves any changes to the priorities, objectives, key performance indicators and performance targets of the municipality. * Considers the oversight reports from the oversight committees, such as the Performance Audit Committee. 	<ul style="list-style-type: none"> * Receives audited performance reports from the Mayor. * Reports the municipality's performance to the community at least annually. * Approves recommendations for the improvement of the performance management system. * Annually receives the appraisal of the Municipal Manager and Section 57 Managers' performance. * Submits the municipal annual report to the Auditor General and the MEC. 	<ul style="list-style-type: none"> * Approves the municipal annual audit plan and any substantial changes to it. * Receives and assesses performance reports directly from the Performance Audit Committee. * Receives and assesses performance audit reports from the Auditor-General and approves implementation of the A-G's recommendations.

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Roles and Responsibilities of the Mayor

PLANNING	MONITORING, ANALYSIS AND MEASUREMENT		
	REVIEW	REPORTING	ASSESSMENT
<ul style="list-style-type: none"> * Submits priorities and objectives of the Integrated Development Plan to Council for approval. * Submits the PMS policy framework for approval. * Submits the municipal strategic or organizational scorecard to Council for approval. * Approves the Service Delivery and Budget Implementation Plans (SDBIP) * Enters into a performance agreement with the Municipal Manager on behalf of Council. * Assigns the responsibility for the management of the PMS to the Municipal Manager. * Tables the budget and the SDBIP to Council for approval. * Approves the departmental or service scorecards and Section 57 Managers scorecards 	<ul style="list-style-type: none"> * Proposes to Council, the annual review programme of the IDP, including the review of key performance indicators and performance targets. * Proposes the annual performance improvement measures of the municipality as part of the municipal strategic or organizational scorecard. * Proposes changes to the priorities, objectives, key performance indicators and performance targets of the municipality. * Quarterly and mid-yearly reviews and evaluates the performance of the municipality against adopted KPIs and targets. * Quarterly reviews the performance of the departments to improve the economy, efficiency and effectiveness of the municipality. * Quarterly and annually reviews and evaluates the performance of the Municipal Manager and Section 57 Managers 	<ul style="list-style-type: none"> * Receives monthly budget statements from the Municipal Manager and CFO * Receives performance reports quarterly from the internal auditor. * Receives performance reports twice a year from the Performance Audit Committee. * Receives monthly and quarterly reports from the Municipal Manager on the performance of managers and the rest of the staff. * Receives the annual Section 46 report from the Municipal Manager before submission to council, Auditor General and MEC. * Report to council on the mid-term review and the annual report on the performance of the municipality. * Reports to Council on the recommendations for the improvement of the performance management system. 	<ul style="list-style-type: none"> * Submits the municipal annual audit plan and any substantial changes to council for approval. * Approves the implementation of the recommendations of the internal auditor with regard to improvement in the performance of the municipality or improvement of the performance management system itself. * Receives and assesses the performance audit report(s) from the Auditor General and management comments and make recommendations to Council on addressing whatever audit queries raised therein.

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Roles and Responsibilities of the Municipal Manager

PLANNING	IMPLEMENTATION	MONITORING, ANALYSIS AND MEASUREMENT		
		REVIEW	REPORTING	ASSESSMENT
<ul style="list-style-type: none"> * Coordinates the process of needs identification and prioritization among all stakeholders, including community structures. * Coordinates the formulation and revision of the PMS policy framework. * Coordinates the formulation and revision of the municipality's strategic or organizational scorecard. * Leads the process of the formulation and revision of the Service Delivery and Budget Implementation Plans. * Enters into performance agreements with Section 57 Managers directly accountable to him/her on behalf of Council. 	<ul style="list-style-type: none"> * Manages the overall implementation of the IDP. * Ensures that relevant stakeholders implement the provisions of the PMS policy framework. * Ensures that the Departmental scorecards and departmental annual programmes serve the strategic or organizational scorecard of the municipality. * Ensures that annual programmes are implemented according to the targets and timeframes agreed to. * Implements performance improvement measures approved by the Mayor and the Council. * Ensures that performance objectives in the Section 57 Managers' performance scorecards are achieved. 	<ul style="list-style-type: none"> * Formulates the annual review programme of the IDP, including the review of key performance indicators and performance targets for the consideration of Council Committees and the Mayor. * Formulates the annual performance improvement measures of the municipality as part of the new municipal strategic or organizational scorecard. * Quarterly reviews the performance of departments to improve the economy, efficiency and effectiveness of the municipality. * Quarterly and annually evaluates the performance of Section 57 Managers. 	<ul style="list-style-type: none"> * Receives performance reports quarterly from the internal auditor. * Receives performance reports twice a year from the Performance Audit Committee. * Receives monthly departmental performance reports. * Reports monthly and quarterly to the Mayor on the performance of Departments. * Reports on the implementation of improvement measures adopted by the Mayor and Council. * Annually reports to the Mayor on the performance of Section 57 Managers. * Submit the municipal annual Section 46 report to the Mayor. 	<ul style="list-style-type: none"> * Formulates the municipal annual audit plan. * Formulates responses to the recommendations of the internal auditor and the Performance Audit Committee. * Formulates responses to performance audit queries raised by the Auditor General and make recommendations to the Mayor.

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Roles and Responsibilities of the Section 80 Committees

PLANNING	MONITORING, ANALYSIS AND MEASUREMENT		
	REVIEW	REPORTING	ASSESSMENT
Advise the Mayor on priorities and objectives of the Integrated Development Plan.	Participate in the formulation of the annual review programme of the IDP, including the review of key performance indicators and performance targets. Approve recommended reviews on their service areas' indicators and targets	Reports to the Mayor on the recommendations for the improvement of the performance management system. Receive reports from the departmental heads and line managers on performance in their respective service areas	Advices the Mayor on the implementation of the recommendations of the internal auditor.

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Roles and Responsibilities of the Section 57 Managers

PLANNING	IMPLEMENTATION	MONITORING, ANALYSIS AND MEASUREMENT		
		REVIEW	REPORTING	ASSESSMENT
<p>Participate in the formulation of the SDBIP and the municipal strategic or organizational scorecard</p> <p>Manage subordinates' performance measurement system.</p> <p>Enter into a performance agreements with the Municipal Manager.</p>	<p>Manage the implementation of their Departmental scorecards.</p> <p>Ensure that performance objectives and targets in the performance scorecards and departmental scorecards are achieved.</p>	<p>Quarterly and annually review the performance of their departments</p> <p>Quarterly review performance of direct reports</p>	<p>Report on the implementation of improvement measures adopted by the Mayor and Council.</p> <p>Annually report on the performance of their departments</p> <p>Receive bi-monthly performance reports from line managers</p> <p>Report monthly to the Municipal Manager on progress</p>	<p>Participate in the formulation of responses to the recommendations of the internal auditor, Performance Audit Committee and the Auditor General.</p>

Roles and Responsibilities of Non-Section 57 Municipal Employees

PLANNING	IMPLEMENTATION	MONITORING, ANALYSIS AND MEASUREMENT		
		REVIEW	REPORTING	ASSESSMENT
* Participate in identifying of priorities and setting	* Execute individual work plans	* Participate in the review of departmental plans.	* Reports to line managers on bi-	* Assess performance review reports of own section

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<p>KPI's and targets for the municipality's IDP</p> <p>* Participate in the development of the organizational and the departmental scorecards</p> <p>* Participate in the development of their own performance scorecards</p>	<p>* Manage all information and evidence required for performance measurement, review and audit.</p>	<p>* Participate in the review of own performance.</p>	<p>monthly basis on progress</p>	
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Roles and Responsibilities of the Internal Audit Office

PLANNING	AUDIT	ASSESSMENT	REPORTING
<p>Develop a risk and compliance-based audit plan.</p>	<p>Audit the performance measures in the municipal scorecard and departmental scorecards.</p> <p>Conduct performance audits</p>	<p>Assess the functioning of the municipality's PMS to ensure it complies with the Act.</p>	<p>Submit quarterly reports to the Municipal Manager.</p> <p>Submit quarterly reports to the Performance Audit Committee.</p>

Roles and Responsibilities of the Performance Audit Committee

PLANNING	REVIEW	REPORTING
<p>Receive and approve the annual audit plan.</p>	<p>Review quarterly reports from the internal audit office on quarterly basis</p>	<p>Submit performance review audit reports to the Municipal Manager and the Mayor</p> <p>Submit bi-annual reports to the municipal Council.</p>

11. Employee Performance Management

11.1 Legal Framework that Governs Employee Performance

In local government, municipal employees now fall into two broad categories; namely, those employees whose employment are governed by Section 57 of the Municipal Systems Act and enter into time-specified employment contracts with the municipality, and those that are employed on permanent basis and whose employment is governed by the provisions of the Local Government Bargaining Council. In this policy framework, all the employees employed under Section 57 will be referred to as “**Section 57 Managers**” and those under the Bargaining Council will be referred to as “**Permanent Employees**”.

The local government legislation has provided guidance on managing and rewarding performance of Section 57 Managers, i.e. the Municipal Manager and all Managers directly accountable to him/her. The 2006 Performance Regulations for Municipal Managers and Managers Directly Accountable to the Municipal Manager make special provisions for employment and managing performance of these employees. The pertinent provisions will be outlined briefly below, however a full copy of the Regulations is attached as part of **Appendix I** of this policy framework.

- Section 57 managers must enter into employment contract with the municipality on assumption of duties and the regulations gives a detailed guide on the elements of an employment contract;
- **Performance Agreement** must be signed on each financial year or part thereof;
- A new **performance agreement** must be concluded within **one month** after the commencement of the new financial year, i.e. by 31 August of every year;
- A **personal development plan** must be documented at the end of the performance review and form part of the performance agreement;
- The employee’s performance must be assessed against two components: **Key Performance Areas at (80%) and Core Competency Requirements (20%)**;
- A **5 - point rating scale** should be provided for each Key Performance Indicator in the employee’s scorecard;
- The municipality must establish **Evaluation Committees** who must meet annually to evaluate the performance of the Municipal Manager and the managers directly accountable to the Municipal Manager;
- The Municipal Manager’s annual performance must be evaluated by the Mayor, Chairperson of the Performance Audit Committee, Member of the Mayoral Committee, Mayor and/or Municipal Manager from another municipality and Member of a Ward Committee nominated by the Mayor;
- Managers directly accountable to the Municipal Manager must be rated by the Municipal Manager, Chairperson of the Performance Audit Committee, Member of the Mayoral Committee and a Municipal Manager from another municipality.
- A performance bonus ranging from a minimum of 5% - 14% maximum of the all-inclusive remuneration package must be paid as follows:
 - A score of 130 - 149% is awarded a bonus from 5% - 9%
 - A score of 150% and above is awarded a bonus from 10% - 14%;
- Guaranteed annual cost of living adjustment to salaries must be paid - this is not linked to performance;
- Rewarding of Performance for Section 57 employees be done after the tabling of the annual performance report and the financial audited statements in February annually.

As can be seen from the above provisions, the Section 57 employees in Ngwathe Local Municipality will align with the above regulations and their performance will be measured through their performance plans/scorecards. The same organizational scorecard will be cascaded to the employee scorecard and these will form part of their performance agreements.

It is the intention of this policy framework to formally incorporate the permanent employees into the overall performance management system of the municipality. This will translate into all employees of Ngwathe Local Municipality developing annual scorecards that are aligned to their functional areas of responsibility and thereafter entering into performance agreements with their respective supervisors. Just like in the Section 57 employee performance provisions, the performance agreements of the permanent employees will include a personal development plan.

The formats of all scorecards and reporting formats will be similar for all employees to create uniformity and consistency in monitoring performance on both organizational and employee KPI's and performance targets.

The phases of managing employee performance are outlined below.

11.2 Aligning Employee Performance to the Organizational Performance Management System

The performance of an organisation is integrally linked to that of its employees. If employees do not perform an organisation will fail. It is therefore important to manage both the organizational and employee performance at the same time. The relationship between organisational performance and employee performance starts from planning, implementation, monitoring and review. All the 5 phases in the organizational performance apply to the management of employee performance. The monitoring system using weekly, bi-monthly, monthly and quarterly reports is informed by individual activities at sectional and departmental levels. However, employee performance reviews differ from organizational reviews. Each phase will be discussed briefly below.

Phase 1: Planning

The IDP yields a set of indicators and targets. These become an undertaking of the municipality to the community. The IDP informs the development of the SDBIP and the organizational scorecard. The elements of the organizational scorecard will be cascaded to the municipal manager's performance scorecard and performance agreement as he/she is responsible for the implementation of the IDP. The municipal manager will then extract relevant KPA's and indicators to section or Departments concerned. These indicators would then become the KPA's, indicators and targets of the Head of the Department to be incorporated in their performance scorecards and agreements. The Head of Department will in turn cascade the indicators and targets to lower levels in line with the scope of responsibilities at that level. Therefore, this policy framework establishes a system of individual performance management linked to the organizational performance through the scorecard model.

Weighting and Rating

Weighting Approach that will Apply to Permanent Employees

Ngwathe Local Municipality will adopt a weighting approach to show the relative importance of one indicator against another indicator. Every indicator in an employee's performance scorecard/plan will be assigned a weighting. The total of the weightings on the performance scorecard must add up to 100 points. An important indicator may, for example, be assigned a weighting of 50 out of the total of 100 whereas a less important KPI may be assigned a weighting of 15 out of 100. The purpose of the weightings is to show employees what the key focus areas are in their work.

Weighting Approach that will Apply to Section 57 Managers

The weighting of indicators in the scorecards of the Section 57 Managers will follow the line of the provisions of the 2006 Performance Regulations. The weighting of 80% will be allocated to KPA-related indicators and 20% of the weighting will be allocated to CCR-related indicators.

Performance Rating Approach that will Apply to all Employees

The five-point rating will apply in evaluating the performance of all the employees of Ngwathe Local Municipality. The 2006 Performance Regulations sets out the rating as follows:

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Table 1: 5-point Rating for Employee Performance Appraisals

LEVEL	TERMINOLOGY	DESCRIPTION	RATING				
			1	2	3	4	5
5	Outstanding Performance	Performance far exceeds the standard expected of an employee at this level. The appraisal indicates that the Employee has achieved above fully effective results against all performance criteria and indicators as specified in the PA and Performance plan and maintained this in all areas of responsibility throughout the year.					
4	Performance significantly above expectations	Performance is significantly higher than the standard expected in the job. The appraisal indicates that the Employee has achieved above fully effective results against more than half of the performance criteria and indicators and fully achieved all others					
3	Fully effective	Performance fully meets the standards expected in all areas of the job. The appraisal indicates that the Employee has fully achieved effective results against all significant performance criteria and indicators as specified in the PA and Performance Plan.					
2	Performance not fully effective	Performance is below the standard required for the job in key areas. Performance meets some of the standards expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against more than half the key performance criteria and indicators as specified in the PA and Performance Plan.					
1	Unacceptable performance	Performance does not meet the standard expected for the job. The review/assessment indicates that the employee has achieved below fully effective results against almost all of the performance criteria and indicators as specified in the PA and Performance Plan. The employee has failed to demonstrate the commitment or ability to bring performance up to the level expected in the job despite management efforts to encourage improvement.					

The outcome of the planning phase in the employee performance management will result in all employees having signed performance scorecards by 1 July of every year

Phase 2: Implementation, Monitoring, Data Analysis and Measurement.

When projects and programmes are implemented, the monitoring system as proposed in the organizational performance phases will apply. All the reporting timelines and information management responsibilities will be carried out as detailed in the monitoring phase of organizational performance management system.

Phase 3: Coaching

Should an employee not be achieving the agreed indicators and targets in his/her performance scorecard during the monitoring and analysis phase, the manager/supervisor must assist the employee by managing his/her performance more closely. It is not appropriate that the first time an employee hears about his/her non-performance is at the formal performance review. Employees must be coached and given feedback throughout the year.

Phase 4: Review

This phase involves jointly assessing actual performance against expectations at the end of the performance cycle so as to review and document planned vs. actual performance. The following guidelines will be applicable for conducting individual performance reviews:

- A Manager/supervisor will prepare ratings of employee's performance against key performance indicators. The rating will be done by considering the year end actual cumulative as well, the evidence which was documented during the coaching cycle as well as any other relevant input.
- The Manager/supervisor will request the employee to prepare for formal appraisal by rating him/herself against the agreed key performance indicators on their scorecards.
- The Manager/supervisor and the employee meet to conduct a formal performance rating with a view to conclude a final rating. The employee may request time to consider the rating. A second meeting will then take place. In the event of a disagreement, the manager/supervisor has the final say with regard to the final rating that is given.
- After the ratings have been agreed upon the scores are calculated.
- The Manager/supervisor must make own notes during the formal review meeting. All the criteria that have been specified must be taken into consideration.
- Only those KPI's relevant for the review period in question should be rated according to the five point scale as shown above
- After the year-end review the manager/supervisor and the employee prepare and agree on a personal development plan.

The total score is determined once all the indicators have been rated and scored. This is done with a view to establish if an employee is entitled to a notch increase or an accelerated salary progression or a non-financial award. Annual inflation related increments will not be affected by the implementation of the performance management system and cascading it down to all employees.

Performance review of Section 57 Employees is governed by Regulation 28 of the 2006 Performance Regulations. The Regulations provide that the performance of the Section 57 employees in relation to their performance agreements must be reviewed on a quarterly basis with the understanding that reviews in the first and third quarters may be verbal if performance is satisfactory.

Phase 5: Rewarding Performance

This phase establishes the link between performance and reward. It aims to direct and reinforce effective work behaviours by determining and allocating equitable and appropriate rewards to employees.

The performance reward system applied to Section 57 Employees is different from the performance reward system applied to Permanent Employees who are not Section 57 Employees. Section 57 employees reward system is clearly spelt out in the 2006 Performance Regulations and these rewards are in the form of performance cash bonuses that are allocated after the tabling of the receipt of the audit report and tabling of the annual report, i.e. in February of each year.

In terms of Regulation 8 of the 2006 Municipal Performance Regulations, a performance bonus, based on affordability, may be paid to the Section 57 Managers, after -

- (1) the annual report for the financial year under review has been tabled and adopted by the municipal council;
- (2) an evaluation of performance in accordance with the provisions of regulation 23; and
- (3) approval of such evaluation by the municipal council as a reward for outstanding performance.

Regulation 32 sets out the following provisions with regard to managing evaluation outcomes and rewarding performance for Section 57 Employees:

(1) The evaluation of the employee's performance will form the basis for rewarding outstanding performance or correcting unacceptable performance.

(2) A performance bonus ranging from 5% to 14% of the all-inclusive remuneration package may be paid to an employee in recognition of outstanding performance. In determining the performance bonus the relevant percentage is based on the overall rating, calculated by using the applicable assessment-rating calculator; provided that -

(a) a score of 130% to 149% is awarded a performance bonus ranging from 5% to 9%; and

(b) a score of 150% and above is awarded a performance bonus ranging from 10% to 14%.

(3) In the case of unacceptable performance, the employer shall -

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(a) provide systematic remedial or developmental support to assist the employee to improve his or her performance; and

(b) after appropriate performance counselling and having provided the necessary guidance and/or support and reasonable time for improvement in performance, and performance does not improve, the employer may consider steps to terminate the contract of employment of the employee on grounds of unfitness or incapacity to carry out his or her duties.

Ngwathe Local Municipality is obliged to abide by these provisions when dealing with outcomes of performance evaluation and in rewarding performance to Section 57 Employees.

If an employee is a permanent employee of Ngwathe Local Municipality and is thus covered by the conditions of service of the municipality, performance is not directly linked to pay. Currently permanent employees receive an annually bargained increase determined by the South African Local Government Bargaining Council (SALGBC). Permanent employees who perform outstandingly will receive non-cash rewards, until such time as a national remuneration policy dictates otherwise. Examples of non-cash rewards appear in **Table** below.

Table 2: Examples of Non-Cash Rewards

Performance levels	Examples of non-cash reward
Outstanding/above performance levels 90 – 100	<p>A. Employee is granted three “free” leave days.</p> <p>There has to be an agreement on the dates and such leave must be taken within three months of it being awarded otherwise it will be forfeited.</p> <p>B. Merit Awards</p> <p>C. Mayoral Excellence Awards</p> <p>D. Special Opportunities, e.g scholarships/</p> <p>E. Seminars/ conference relevant to his/ her work and study tours (the amount spent on this exercise including travelling should not exceed the rand value of three days leave i.e the rand value of three days of employee’s total package.</p> <p>F. Promotion (w/a)</p>
Performance above expectation 80 – 89	<p>One and a half free leave days: There has to be an agreement on the dates and such leave must be taken within three months of it being awarded otherwise it will be forfeited.</p> <p>Seminars/ conference relevant to his/ her work and study tours (the amount spent on this exercise including travelling should not exceed the rand value of one and a half days leave i.e the rand value of one and a half days of employee’s total package.</p> <p>A work tool that will enhance the employee’s work</p>

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Average performance 61 - 80	No specific reward
Below average performance <60	Compulsory performance counseling and monthly coaching sessions by manager/supervisor

11.3. Responding to Organizational Performance

11.3.1. Good or Exceptional Performance

In South Africa, good and outstanding organizational performance by municipalities is rewarded through the provincial and national Vuna Awards. The criteria used in the Vuna Awards to identify municipalities that have performed exceptionally is through the assessment of achievements within the 5 Key Performance Areas (KPA's). It will therefore be, a wise move by the Ngwathe Local Municipality to adopt the Revised Municipal Scorecard Model as it places its performance measurement along the 5 KPA's and can easily evaluate itself if it is ready for the Vuna Awards nominations.

11.3.2. Poor Performance

Poor performance in municipalities is often characterised by disclaimers and adverse opinions from the Auditor General. The worst measure that is taken for worst performing municipalities is the Section 139 intervention by the MEC for Local Government in the province.

The effective implementation of this framework and the different roles and responsibilities that will be played by different stakeholders will serve as an early warning mechanism for the Ngwathe Local Municipality to keep ahead in performance and to effect corrective measures timeously in any of the weak functional areas identified by the performance management system.

12. Building Capacity

The success of the implementation of the municipality's performance management system rests on the capacity of line managers, executive management, councillors, citizens and communities to fulfil their roles and responsibilities as highlighted in earlier sections. Capacity building programmes will be initiated in order to provide capacity to each of the stakeholders to enable them to gain the necessary skills they require in fulfilling their roles and support will be provided during the implementation of this performance management framework.

13. Evaluation and Review of the Whole Performance Management System (PMS)

Ngwathe Local Municipality will review its performance management system annually alongside the review of the IDP.

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14. Critical Dates and Timelines

PHASE	ORGANIZATIONAL ACTIVITIES	INDIVIDUAL ACTIVITIES	TIME FRAME	RESPONSIBILITY
PLANNING	Development and approval of the SDBIP and organizational scorecard		March – May	Council
		Signing performance Contracts/Plans with rest of staff	31 July	Mayor Section 57 Managers
		Signing performance Contracts/Plans with rest of staff	March – June	Municipal Manager All staff
MONITOR, MEASURE & REVIEW	Monthly Monitoring	Monthly Monitoring	Monthly	Municipal Manager Senior Managers Line Managers/ Supervisors
	Quarterly Review/s	Quarterly Reviews	September December March	Municipal Manager Senior Managers Managers/ Supervisors
		Annual Performance Appraisal	June	Mayor Municipal Manager Senior Managers Managers Supervisors
		Reward and Recognition	June and February	Mayor Municipal Manager Senior Managers
REPORTING	Quarterly and Mid-Term Reports	Quarterly Reports	September December March	Management Team
	Annual reports	Annual Employee Performance Reports	31 August	Mayor Municipal Manager
		Departmental and Section Heads Reports	Monthly & Quarterly	Management Team Line Managers
IMPROVEMENT	Performance Improvement Plans		June	Management & employees

15. Conclusion

This framework seeks to provide the basis for a structured approach to performance management within Ngwathe Local Municipality. As indicated earlier, proper implementation of this framework lies heavily on commitment and dedicated leadership. It is hoped that in the near future the municipality will convert this manual performance management platform into an electronic system. However, that will only occur if all stakeholders have received enough capacity to implement this framework and can fully carry out their roles and responsibilities within the performance cycle with ease.

16. Appendices

Appendix I: Extracts of Relevant Policies and Legislation

- a. Batho Pele White Paper, 1997
- b. White Paper on Local Government, 1998
- c. Municipal Systems Act, 2000
- d. Municipal Planning and Performance Regulations, 2001
- e. Municipal Finance Management Act, 2003
- f. Municipal Performance Regulations for Municipal Managers and Managers Directly Accountable to the Municipal Managers, 2006
- g. Framework for Managing Performance Information, 2007
- h. General Notice No. 646, 2007
- i. MFMA Circular 11 – Annual Reports
- j. MFMA Circular 13 – SDBIP

Appendix II: Pro Forma Documents

- a. Pro Forma Performance Agreement
- b. Pro Forma Personal Development Plan

Appendix III: Employee Performance Plan/Scorecard Template with Performance Assessment Calculators

- a. Template of Employee Performance Scorecard

ANNEXURE 2



OFFICE OF THE MUNICIPAL MANAGER

Mechanisms in support of Ngwathe IDP Process

Terms of Reference (TOR) – ROLE-PLAYERS

(a) Executive Committee

- The Executive Mayoral Committee must, in terms of section 30 of the Municipal Systems Act;
- manage the drafting of the municipality's IDP,
- assign responsibilities in this regard to the municipal manager; and
- submit the draft plan to the municipal council for adoption.

(b) The Municipal Manager

As the head of administration the municipal manager is responsible and accountable for the implementation of the municipality's IDP, and the monitoring of progress with implementation of the plan. He / She is also the responsible person for championing the Integrated Development Planning process.

(c) Manager IDP/PMS

The Manager IDP & PMS is the responsible official for preparing the process plan (in collaboration with the Steering Committee) and for the day to day management of the process under consideration of time, resources, people, ensuring—

- involvement of all different role players;
- ongoing communication with the public at large to maintain enthusiasm for, and commitment to, the IDP;
- that the timeframes are being adhered to;
- that the IDP Process is participatory, strategic and implementation orientated;
- that the IDP Process is horizontally and vertically aligned and complies with national and provincial requirements;
- that conditions for participation are provided;
- that outcomes are being documented; and
- the adjustment of the IDP in accordance with the MEC for local government's proposals.

(d) IDP Steering Committee

The IDP Steering Committee is a technical working team consisting of the Municipal Manager, the Manager IDP & PMS and sector officials who, together with nominated Councillors, must ensure a smooth compilation and implementation of the IDP. This committee—

- compiles the terms of reference and criteria for members of the IDP Representative Forum and the Area/Town Forums;
- from names submitted by the public and from other sources, compiles a list of potential members of the forums based on the criteria;
- submits the list of proposed members to council for approval;

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- facilitates the terms of reference for the various planning activities;
- commissions studies necessary for the compilation of the IDP;
- processes and documents inputs from sub-committee/s, study teams and consultants as well as from provincial sector departments and support providers;
- processes, summarizes and documents outputs;
- makes content recommendations;
- prepares, facilitates and documents meetings;
- facilitates control mechanisms regarding the effective and efficient implementation, monitoring and amendment of the IDP;
- ensures the co-ordination and integration of sectoral plans and projects; and
- Ensures that the municipal budget is in line with the IDP.

The IDP Steering Committee consists of the following persons

- Composition:
 - Municipal Manager (Chairperson);
 - three councillors nominated by the Executive Committee from its members;
 - Manager IDP & PMS; and
 - the Executive management team.

(e) IDP Representative Forum

The IDP Representative Forum is the structure which facilitates and co-ordinates participation in the IDP Process. The selection of members to the IDP Representative Forum needs to be based on criteria which ensures geographical and social representation. The role for the IDP Representative Forum is to—

- represent the interests of their constituents on the IDP process;
- form a structured link between the municipality and representatives of the public;
- ensure communication between all the stakeholder representatives including the municipality;
- provide an organisational mechanism for discussion, negotiation and decision making between the stakeholders including municipal government;
- integrate and prioritise issues, strategies, projects and programmes and identify budget requirements; and
- monitor the performance of the planning and implementation process. It is co-chaired by a nominated councillor and an elected representative of the Forum.

Composition:

- Nominated councillors (including councillors who represent the local municipality on the Fezile Dabi District Council);
- the chairperson and one selected representative of each of the Area/Town Forums;
- the officials who serve on the Steering Committee;
- representatives of municipal wide organised stakeholder groups as identified by the Steering Committee and the public;

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- advocates for unorganised groups as identified by the Steering Committee, the Representative Forum and the Area / Town Forums;
- resource persons ; and
- community representatives subject to the selection criteria in paragraph 4.4.

(f)Area/Town

Forums

The Area / Town Forums are where representative participation in the IDP Process really takes place. These Forums will be the formal communication channel between the community and the Council, representation on the Forums must be as inclusive as possible. The role of the Area / Town Forums is to—

- Identify the critical issues facing its town / area;
- provide a platform for discussion, negotiation and decision making between the stakeholders including municipal government;
- form a structured link between the IDP Representative Forum and the community of each town / area; and
- monitor the performance of the planning and implementation process concerning its town / area.

Voting on issues should be avoided at all costs. If, however, it cannot be avoided, councillors and officials at the Area / Town Forum meeting shall not participate in the voting.

The chairperson is appointed by the Area / Town Forum.

Composition:

- The councillor(s) representing the specific area;
- officials involved in the process;
- representatives of organised stakeholder groups;
- advocates for un-organised groups as identified by the Steering Committee or the Area / Town Forum;
- resource persons; and
- community representatives subject to the selection criteria in paragraph 4.4.

(g) Project Task Teams

The Project Task Teams will be small operational teams composed of a number of relevant municipal sector departments and technical people involved in the management of implementation and, where appropriate, community stakeholders directly affected by the project.

4.4 Criteria for selection of members of the forums

(a) Principles – all forums

- Membership must be inclusive rather than exclusive;
- the diversity of interests in the area, the demographics of the area, gender equality and sectoral groups must be taken into account;
- associations, organisations, groups or sectors that wishes to be represented on the forums must register with the Municipality;
- the registration will be valid for five years which will run concurrently with the IDP term;
- such associations, organisations, groups or sectors should directly relate to the core business of the IDP;

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- Individuals will not be accommodated, with the exception of resource persons (see footnote on the previous page) and then only on an ad hoc basis.

(b) Principles: IDP-Representative Forum

The following principles will apply over and above the above-mentioned principles:

- Associations, organisations, groups or sectors that wishes to be represented on the IDP Representative Forum must represent the whole municipal area geographically, or represent a concern that relates to the whole municipal area;
- they must have a working constitution and at least 100 members or, if not, supply the Municipality represented by the Municipal Manager with a written explanation and proof of their constituency; and
- stakeholders such as schools, churches, tourism bodies, sport bodies, etc. that do not have a municipal wide representative body, can group together over the whole municipal area and then nominate a person to represent them on the IDP Representative Forum

(c) A guideline list of possible stakeholder groups

Residents:

- Special groups of people such as the aged / elderly, youth, women, children or the disabled
- Action groups/watchdog societies
- Farm workers' associations
- Farmers' associations

Community-based organisations:

- Civic and church groups
- Formal women's groups
- Social groups
- Neighbourhood watch
- Parents/ratepayers' associations
- Sports and cultural clubs

Independent sector:

- NGO's
- Academic/Educational institutes, local schools
- Media

Private sector:

- Local business and service providers
- CBD associations
- Property associations
- Operators associations e.g. Taxi Association
- Professional societies
- Statutory agencies and boards
- Co-operatives
- Home-based enterprises
- Informal traders

- Artists and craftsmen
- Environmental organisations
- Property developers
- Financial Institutions
- Major employers

4.5 Code of Conduct for the forums

It must be noted that councillors and officials are bound by their respective Codes of Conduct that form part of the Municipal Systems Act, Act 32 of 2000.

The IDP Representative Forum and Area / Town Forums may adopt their own rules and procedures for meetings should the need arise. Such rules and procedures may however not be in conflict with the Code of Conduct